



DAILY REPORT

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2 Jul 87

FBIS-LAT-87-127

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ARGENTINE PRESIDENT ADDRESSES ALADI SESSION

PY270342 Buenos Aires TELAM in Spanish 1844 GMT 26 May 87

[Text] Montevideo, 26 May (TELAM, special correspondent) -- Argentine President Rual Alfonsin today said that Latin America is experiencing a particularly difficult moment of crisis, as a result of the financial policy of the developed countries. He added that the strategic solution to this situation is to strengthen regional cooperation and integration.

At noon today, Alfonsin addressed a formal session of the ALADI, which was held in his honor, at ALADI headquarters.

In his speech, Alfonsin commented on the difficult situation in the Latin American countries and proposed a series of solutions to the crisis.

He said that the Latin American integration process cannot be stopped, and added that we must and will achieve integration, thus relieving our peoples of the burden they are now carrying.

Regarding ways to achieve regional integration, Alfonsin said that this process is not a matter of adjusting to the crisis, but of achieving a thorough and permanent solution to the crisis.

He said that Latin American regional integration is currently a variable factor of international policy, and that it must gain importance within the economic policies of our countries.

He added that in facing the crisis Latin America has learned much, and that this is a result of the rebirth of democracy in the region. Alfonsin also said that, only under democracy can a people seek solutions, within their own societies, to their most pressing needs, emphasizing that integration is one of the most urgent of these needs.

Alfonsin later said that it is necessary to further study the Regional Preferential Tariff System, because, if combined with adequate regulations governing the countries from which good will be acquired, it become the main point of the negotiations.

The Argentine President then stated that his government will commit itself in this regard, because those preferential tariffs should make it possible to replace part of the extra-regional trade with trade among member countries.

He added that the Commerce Expansion and Recuperation Program, which brings about the possibility of redirecting toward the region \$3.5 billion worth of trade -- 40 percent of current trade -- should allow the region to allocate its resources according in its own interests.

He explained that this particular effort should have positive results in the area of raw materials.

Alfonsin pointed out that Argentina wants to lift nontariff restrictions, and observed that his country does not impose such restrictions on products included in previous agreements, and is dismantling tariffs currently imposed on products not included in agreements.

The Argentine president added that to the extent that we realize that facilitating exports, not hindering imports, is fundamental to our integration, the prospects for the regional trade process will be positive.

Referring to terms of financing as one of the most important instruments for international competition, Alfonsin pointed out that the analysis of the problems of financing through a regional approach must be accelerated.

He said that to that effect, Argentina promises its support to finding instruments to assist relatively less developed countries and countries that have a deficit.

Alfonsin said that he wanted to propose that the ALADI Representatives Committee study the question of border trade so that borders become areas of association, not separation as they are now. To reverse this process is not only in the interest of our economic progress, but also in the interest of peace and understanding.

The Argentine president stated that the crisis in the region is tied to the extremely depressed prices of our export products, the continuous deterioration of the terms of trade, and the region's low economic growth rate. To this, he asserted, must be added the developed countries' unfortunate decisions or indifference when it comes to trade, subsidy, and financial policies.

As for financial policies, Alfonsin said that the answers tend to meet short-term rather than structural needs, and are furthermore slow, partial, and insufficient.

In the face of this critical situation, Alfonsin affirmed, we cannot just take the useless position of taking notice; the crisis is an opportunity and challenge for us to defend our interest with courage and imagination.

REGIONAL LEADERS SIGN DECLARATION ON DEBT

PY221659 Montevideo LA HORA in Spanish 5 Jun 87 p 7

[Text] At a news conference at the Senate yesterday, National Party [PN] President Wilson Ferreira Aldunate asserted that "the foreign debt will never be paid because it is impossible; it could not be paid even if one wanted to."

The PN leader disclosed a "Declaration and Proposal" on the foreign debt signed by Latin American leaders such as former presidents, former legislators, and politicians from Argentina, Bolivia, Brazil, Colombia, Chile, Ecuador, Mexico, Peru, Uruguay, and Venezuela.

Ferreira Aldunate said that Latin America is exerting a disproportionate and unjust effort to cope with a problem the solution of which calls for changing the negotiation terms between debtors and creditors.

Ferreira Aldunate said that three parties are responsible for the debt, but that only the debtors are bearing its heavy cost. The creditor banks generated the debt with their imprudent lending policies, and the industrialized countries compounded it with the hike in interest rates, trade protectionism, and indifference toward the declining prices of raw materials, as well as toward other disasters that befell Latin America.

Since 1981, the PN leader pointed out, Latin America has paid back more than \$130 billion, but still the debt has increased by nearly \$100 billion, while the per capita GDP has shrunk by about 10 percent since 1980.

He said: "Investments are smaller than internal savings today, because 50 percent of net savings and one-third of export receipts, on the average, are earmarked for payment of the debt's interest alone."

Ferreira Aldunate added that the proposal calls for "the unity of Latin America and joint negotiation as an answer to this crisis. The debtors must do as the creditors do: negotiate together so that the bargaining power can be fortified through the debtors' unity."

He then stressed that a limit should be set to the proportion of export earnings apportioned to debt payment, or that a limit of up to 2 percent of the GDP should be set aside for that purpose.

He said that a meeting of SELA foreign ministers and economy ministers should be called "immediately" to an agreement and to set an amount within the aforementioned limits for servicing the foreign debt.

Ferreira Aldunate also said that the text of the agreement should include clauses similar to those established by the Paris Club and the bankers' steering committees. One of them could be a cross moratorium [moratoria cruzado] in case one of the parties to the agreement should be sanctioned.

Finally, he said that "once the Latin American agreement is concluded," it would be necessary "to initiate a global, political negotiation with the creditors. This negotiation must take into account the cost of the foreign debt crisis for workers and businessmen."

ODCA DISCUSSES INTEGRATION, FOREIGN DEBT

PY181410 Asuncion EL DIARIO in Spanish 16 Jun 87 p 10

[Text] Leaders of the Christian Democratic Organization of America (ODCA) who met in this capital held a news conference to report on the conclusions of the meeting. Several declarations were issued on the foreign debt, the political situation in our country and the integration of Latin American countries.

The news conference was headed by ODCA Secretary General Simon Uzcanga Lovera of Venezuela. The other leaders who also attended the news conference were Hernan Escarra of Venezuela, Ezio Silveira of Argentina, Benjamin Miguel of Bolivia and others.

The Christian Democratic Parties of Argentina, Uruguay, and Paraguay "called on all economic, political, social and cultural sectors to conquer, consolidate and defend democracy because it is the only political and social system capable of fulfilling the people's desires of freedom."

The ODCA leaders also called on governments and political parties to reorganize social structures, institutional mechanisms and legal regulations in order to change, as soon as possible, the standards of living of the Latin American population by equally distributing the national income among all the levels of the country and thus eliminating the inequalities which characterize current society."

They also expressed "their conviction that democracy is a process of permanent improvement which must be done in accordance with the overall political, economic, social and cultural situation to satisfy the demands and needs of each country in the region."

They also emphasized "the solidarity of the Christian Democratic Parties with the people who struggle for freedom and social justice with an ethical view on life."

Regarding the foreign debt the ODCA leaders said that "the underdeveloped countries should reach an agreement to jointly negotiate the foreign debt issue. In order to reach that goal it is necessary to have Latin American solidarity."

ANDEAN PACT COMMISSION CHIEF ON OBJECTIVES

PY241541 Madrid EFE in Spanish 2014 GMT 23 Jun 87

[Text] Lima 23 Jun (EFE) -- Ricardo Noboa, president of the Andean Pact Commission, and Ecuadoran Minister of Industry and Commerce, today stated in Lima that the foremost objective of the Andean Pact is to take immediate action to reactivate trade among its members.

Noboa was reporting on the main topics discussed at the 50th Extraordinary Meeting of the Andean Pact Commission, which ended today in this capital, where the headquarters of the Andean Pact is located.

He discussed the actions that must be taken to implement the transition program that will be in effect until the Quito protocol is implemented.

The Quito protocol has yet to be ratified by the Peruvian, Venezuelan, Colombian and Bolivian congresses, while Ecuador has already ratified it.,

Ricardo Noboa said that he expects the protocol will be ratified by all Andean nations by the first quarter of 1988. At that time the transition program will be discontinued.

He addressed the need to increase the active participation of private enterprises in the integration process. He stressed that private business is the main instrument of integration, and for that reason it must actively participate.

Noboa said that there is a strong political desire among Andean governments to abide by the provisions of the amended Quito protocol, which was signed last May, otherwise "the Andean Pact will remain semiparalyzed." To overcome this, trade restrictions among the Pact country members must be lifted and no new restrictions should be created. If tariff barriers among Andean nations are not eliminated, the protocol will remain a document without any practical use, he added. The Commission which he heads is the Pact's technical body charged with enforcing the rules of the organization. Violations against these rules will be reported to the Andean Court of Justice, according to Noboa.

He stated that the Commission has scheduled meetings of experts to establish new rules and the steps that will lead to the implementation of the transition program. He emphasized that trading rules "must be enacted immediately, because if we keep setting tariff restrictions, the pact will just be an empty gesture."

Noboa added that the elimination of trading barriers will be proof of the Andean countries' political desire to comply with the Quito protocol, even though it will require a certain period of time for members to adjust themselves to the new rules. The three [as received] main aims are; the trade among Andean countries; the establishment of rules for the implementation of the transition program; the cooperation programs among the countries of the subregion; and the drafting, by each country, of laws to regulate trade, said Noboa.

He added that bilateral agreements signed by Andean nations at the time of the Pact's decline must gradually become multilateral so as to reflect sincere integration. He concluded by announcing that the commission will meet next October and next December to examine and approve the implementation of the transition program.

BRIEFS

BOLIVIAN-BRAZILIAN GAS PIPELINE -- Rio de Janeiro, 11 Jun (EFE) -- Bolivian Energy and Hydrocarbons Minister Carlos Morales today disclosed that in 1988 Bolivia and Brazil will begin construction of the longest Latin American gas pipeline. This 2,200 km-long pipeline will link Santa Cruz de la Sierra in Bolivia with Sao Paulo in Brazil and will require a \$2 billion investment, which will be financed by the two countries and loans from the World Bank and the IDB. [Summary] [Madrid EFE in Spanish 1340 GMT 11 Jun 87 PY]

CASTRO SPEAKS ON DOMINGUEZ, DEL PINO CASES

FL250840 Havana Domestic Service in Spanish 0030 GMT 25 Jun 87

[Address to the nation by President Fidel Castro from the Council of State in Havana on 24 June -- live]

[Text] Comrades, these have been days of intense work and tomorrow the enterprises, the Communist Party of Cuba [PCC], unions, and youth cadres begin holding their meetings in the provinces of Havana. I wanted to clarify certain things before the meetings were held. This is why I wanted to make these remarks. I invited a group of comrades who represent youths, students, mass organization, and the PCC in Havana, as well as a group of members of the press. I am going to refer to two current topics, as it was announced by the press.

The first of them, the most current one, refers to causes or factors that brought about the dismissal and subsequent arrest of Luis Orlando Dominguez. I understand many people want to know the reasons for this decision. I will begin by explaining that Luis Orlando is fairly well known in our country. He was a leader of the Union of Young Communists [UJC] for many years and president of the UJC after the world youth festival was held. He worked [reworded] in general he did a good job and after he ended his work with the UJC, he was invited -- I asked him and other young people -- to work with us for some time since I believe certain broad and concrete activities related to many problems the country has to deal with can be a teaching experience for young cadres. At that time I asked the PCC organization secretary to have Landi [short for Orlando] join our Coordination and Support Staff, which as you well know visits many work centers, hospitals, and in general, keeps me informed of the situation in those places. We call it coordination and support because this really is not a group of inspectors. They go to see what kind of problems exist, to help, to provide as much advice as possible, and to coordinate activities that may facilitate the solution of a certain problem. This is how Luis Orlando started to work with us in the month of July of 19... I am going to tell you exactly [shuffles papers] of 1982, when he had finished his work with the youth organization.

I remember well -- other youths also joined the staff during that period of time -- some youths did not like Luis Orlando. I asked them why and some told me: sometimes he is shallow. I had not heard that kind of criticism before. Others said: sometimes he is conceited or arrogant. Some pointed out that sometimes he was somewhat of an introvert, that he isolated himself from the rest of the comrades. That is the kind of things I was told when I tried to find out why some of the members of the group did not have a special liking for him or special regard, but nothing else was ever said. This was in 1982. He was assigned a number of tasks within the staff. Comrade Boffil [Angel Rosendo Moreno] who is an engineer -- some projects under construction that I visited where we had a plan to guarantee the living conditions of workers, improve transportation, in sum, a number of things. Those centers were mainly the nuclear power plant, the Cienfuegos oil refinery, and Moa. They are big projects. When I visited those places I found some problems in their living conditions. Workers were being transported to the interior of the country in trucks or carts. We saw the problems they had with dining rooms and the cold weather. We implemented a number of measures to provide service to workers, and not only services for workers but support to those projects through other efforts because many times those kinds of projects need the support and cooperation of many organizations. We had these two comrades who systematically visited those work centers. They visited them practically every 2 weeks.

They assessed all problems, talked to the management, PCC representatives, workers and saw what kinds of problems could delay the project. All the factions involved used to meet every so often.

I said it was not necessary to gather all factors involved to give an account of the calamities. The thing is to be up to date. I asked those centers to report any problems to the office every day. We have to be up to date on any problem. We entrusted that task to Luis Orlando and to Boffil. To tell the truth, they were strict in their compliance. Boffil is still involved in this task. They worked well in this.

He was also entrusted with another important task: to speed up the reforestation plans. That was the year we began to plant some 140 or 150 million trees. It was a great leap in reforestation. It required various kinds of resources, including raw materials to produce the sacking for the forest greenhouses. Some transportation, some vehicles. This could also include the study, analysis, solution of the problems of the personnel working in the forestry enterprise. The material living conditions, whether they had electricity, etc. Both matters relating to men and production. The greenhouses had to be organized. Of course, that had to be carried out by the Agriculture Ministry, but we assigned Luis Orlando to coordinate that work. And I can say he did it well, really. He moved in an organized way, everywhere.

We also gave him another important task: The Staff took care of camping. Camping had begun to take shape in 1981, when he was still a member of the communist youth. I began to push that program with the help of the youth. We built the first camp bases, we studied the initial problems, we gave the first resources for that task. From the first, it began to move the following year, 1982, 1983, 1984. That was taken care of and administered by the young communists. Of course, it was a program that required resources, funds, and materials. Tents, transportation, a whole series of material supplies.

We made him responsible for the management and supply of all this equipment and resources. In addition, we had the program to build the camp bases. I must also say he worked well in that front. There is no doubt about it. During the time he spent administering it in close coordination with the youth, around 100 camp bases were built. A strong program to build camp bases had begun in 1983 on the northern coast of Havana; today they are in great demand. The program was drafted. We had to coordinate with the provincial people's government, the Construction Ministry, various organs that participated in the execution of the program. We had to come up with plans, look for architects. At one point we decided to change the tents because they deteriorated too soon. Metal screens to ward off mosquitoes. We built some swimming pools. We needed pumps to supply water to the swimming pools. Special pumps, which, by the way, we did not have at first. In sum, some adaptations were made though they are not ideal. Although not a lot, this plan was large and required not only money but also foreign currency. Some amounts to buy all those materials. And, I repeat, he did a good job. I had a good opinion of his work.

We put him in charge of the botanical gardens, an old project that has been underway for a long time. I have fought hard for this project, for almost 18 years, against the lack of understanding for the importance of a botanical garden or a zoo. We assigned him to supervise and speed up the work, to pressure the MICONS [Ministry of Construction] to fulfill its plans because every year it assigned the project small amounts and it was never finished. Fortunately the botanical gardens made much progress over the years. Many trees were planted and it is a reality today. We gave him that task, in addition to the others.

We did the same thing with the new zoo, another old project. There were difficulties that we were working on. There had to be a lot of analysis, coordination. It was given resources. Generally, when donations arrived -- there were some people who donated \$10,000; others \$50,000; there are some who donated \$100,000. Usually when I get these donations I try to invest in something and let the person who made the donation know how it was invested. I remember when construction of the capital's Pioneer palace was underway. We had Moreno and the scientists administrating the zoo. There were donations of as much as \$100,000, because that was not in any budget. That was left out of the budget every year. People did not understand too well. But donations were used to purchase animals; a giraffe for instance. Giraffes are expensive. Moreno traded animals but once in a while he needed some dollars. They were sent to Moreno.

We put Luis Orlando in charge of the zoo. Efforts were made to open it. The zoo and botanical gardens were given equipment, they were painted. All this was done so that although the zoo was not finished, the public could come. We are still working on those projects. There are comrades in charge who are part of the Staff.

We even gave him a few tasks in the aquarium. The projects, the expansion of the aquarium, are very popular with children and the general public. It's another project we want to push little by little. To tell the truth all the tasks that were assigned to him, he did well. He was efficient, organized.

I had a good opinion of his work. There was some criticism; there was criticism from Staff members who always meet and sometimes issue strong criticism. There is a memo in which he talks about this criticism against him. This criticism was justified and it was strong; he was criticized more than once. He said he had never been reprimanded, etc. However, due to factors that are not directly linked to his work -- his behavior, whether he participated in voluntary work or not, whether he met with his comrades, etc. -- he was also criticized for some things that occasionally showed a certain lack of sensitivity. Aside from this there were no other problems.

Problems arose, certain problems did arise but not like the problems that came up late, and he was really criticized for this. I do not want to delve deeply into these details because they are not necessary. Anyway, this continued until June 1985; from 1982 to 1985. In 1985 he...[changes thought] When the Civil Aviation [as heard] Institute was created, he was appointed director, and I am fully convinced he had all the attributes to be director of that institute, provided that he applied the methods he had applied in other tasks.

We did observe he had become estranged from the Staff, but many other comrades have left the Staff and gone to work elsewhere, to carry out other tasks. However, the latter often come to consult and to discuss their problems. I asked: Does Luis Orlando come around? I was told: He does not. We have not seen him. I was surprised about this; it was strange he had not returned to visit anyone. It was really strange. Other things were noticed later on.

We were even surprised because he did not even participate in the congress of the UJC. Not a single day. Perhaps he resented the criticism against him, or perhaps it was his pride. Anyway, it was really strange.

His behavior is much clearer now, given the problems that cropped up later on. Now I will tell you the story of the events that determined the decision of which I spoke earlier to replace and then arrest him. I will tell you the exact way we experienced events. If you are surprised, so were we. If you see incredible things, so did we. I will tell you how we discovered everything, and the events that led to this discovery.

Everything began late in 1985. A report was presented denouncing Luis Orlando. It was signed 12 November 1985. The document was addressed to the secretary general of the PCC municipal committee in Habana del Este. It essentially said -- I will be brief; I will not read all the details, only what is absolutely necessary. The report said: Comrade, I feel it is my duty to report details of the following. Two brigades of workers have been working in earnest for approximately 4 months -- one in the morning and the other one in the afternoon -- in what was formerly a private residence located at No. 52 Santa Angelica Street, at the corner of San Gil, Reparto Celimar, and everyone thought this was a new state plan.

This is what we learned and everything seemed normal, even though it looked more like a luxury residence. Member Ramon Pereda Carpio came to meet with our PCC group... [changes thought] Sorry, but I will have to mention some names of relatives. It is necessary or else we could not explain everything. We will avoid mentioning the names of relatives whenever possible, and I will limit myself to what is strictly necessary. The note adds: When member Ramon Pereda Carpio, identity card number such and such, came to our PCC group after being transferred from Artemisa, he said this was his new house. He added that his son-in-law Luis Orlando Dominguez had helped him. In the eyes of the population and my own, this indicates a privilege, the improper use of resources, and ostentation, benefiting those who should and must set an example -- not to mention the possible calculated assistance of the leader to his relatives -- I believe this merits a thorough investigation to ascertain who is responsible.

This document was sent to the committee and was signed by a comrade who was a "Granma" expeditionary and lives in that area. He is Roberto Roque Nunez, founder of the PCC, identity card number such and such. He explains everything. The report was sent to the municipal officials, and, since it involves charges against a leader, it was sent to the provincial officials. The issue was analyzed and then it was sent to our office; Comrade Pepin [Jose Alberto Naranjo] received the report late last year -- it was sent on 12 November. Consequently, the report was received in November or December.

We asked the construction directorate of the People's Government to report what kind of work had been carried out there. The explanation says this is a private contract dated 11 June 1985, with Mrs Berta Pereda Rodriguez -- I have to mention the name -- and that Luis Orlando Dominguez participated in the transaction. The report says the construction contract was signed with a private citizen.

Luis Orlando Dominguez is called and informed of the complaint. He is called to the office, Comrade Pepin calls him and informs him of the complaint. He explains everything was a mix-up, almost slander, he had nothing to do with it, that house had been obtained by his in-laws in compliance with all legal requirements.

He said they had a house in Artemisa and exchanged it for that house and all he did was take care of the paperwork submitted by the family to contract with an enterprise of the People's Government to repair the house. He basically explained he did not have plans to move there. He said: I am sleeping at the office. He was working at the Civil Aeronautics Institute; he no longer worked with the Staff when this complaint was made but he was called and asked about it anyway.

So these are the elements contained in a document he sends, the gist of the arguments he uses when he arrives to clarify this situation. It is a long story. It says: The complaint regarding the repair of the house acquired legally by private citizens in the area of Bacuranao, in my judgment needs to be explained. First, this house was not given by the state. It was acquired in an absolutely legal way in accordance with our laws. The family involved sold its private house in Artemisa, bought another one, and finally exchanged it. The enterprise will be paid for the repairs with this family's savings and a bank loan when the total cost is figured out. The contract was signed in June of this year -- he is referring to 1985. In the two cases, my participation was to help speed up the paperwork. Regarding the characteristics of the house I can say the following: first, this house has one-and-a-half bedrooms, one of regular size and a small one. It has other regular rooms such as a porch, living room, kitchen, dining room, terrace in the back and bathrooms. The only thing of considerable dimensions is the backyard in a very isolated area far away from the city.

The information given by the construction enterprise indicates that a room was being built in the garage, gives certain details that in a way match what he is saying. It says: regarding repairs [rephrases] no, it says, the only thing of considerable size is the backyard located in a very isolated place far away from the city. Regarding the repairs it says, first, it was a normal repair consisting of scraping, painting, electric inspection, carpentry work, and turning the garage into a room with a bathroom and two bath-houses. The house did not need to have leak repairs, or the window frames replaced, or have its beams or floors replaced. The most significant aspect was the fence because of the large size of the lot. Because of that house's isolated area and the darkness at night, because the electric wiring reaches only one side, the fence was essential to make the house habitable.

Regarding the complaint, it says, first, there is no information regarding this house and its repairs. The direct contact of the family, who had begun to live in the house, with various comrades of the area confirms it. Second, the complaint was filed by Roque, a Granma expeditionary, a person who is frustrated and resents the revolution, who said bad things about Celia, Ortico, Aldo Santamaria, and does the same about anyone, especially anyone who he thinks is a leader. He even responds attempting to undermine the authority of the comrade who made the complaint. He says: I learned of this complaint at the PCC municipality through a person who heard Roque himself making the comment. I want to talk to him. I explained to him the entire procedure followed to acquire the house and repair it. He did not argue in front of me. He apparently understood the explanations and regretted we had not been able to talk before he reported this matter to the municipality. He clarified that he had not filed a complaint but just sent a report. I went to Habana del Este Municipality, which according to Roque had had this information for 3 months. The municipality did not call me and I went to that organ as soon as I heard about the matter. I talked to the first secretary and clarified everything with official documents. Later I found out through the municipality itself that the matter had been taken to the province since it involved a complaint against a leader. I went to the provincial office and explained it to them personally. I was told everything was clear but that the matter would be examined and I would be called later. The following day, I was told that since the province was aware of the information given by me, no further investigation was needed. In sum -- it says -- the acquisition of this house is not morally or legally objectionable.

The process in which it was obtained is the one in effect for any citizen of this country. The repairs were paid for by its owners. The house is not mine and it is not a result of official activities. The problem is created when it is linked to me and it is perceived it is granted by the state and the repairs are paid by the state. Second, the one filing the complaint is a frustrated and resentful man, has acted wrongly and has lied.

I met with the necessary officials and explained the problem; I did this voluntarily, no one had to call me. My explanation was apparently understood by everyone. I acknowledge the fact I helped in the purchase and repairs of a house, above all because I should not have become involved in all this. I should not have let my public image become linked to the purchase of this house. I understand this is essentially a political problem and one of social prestige. I also understand that when we have the elements to counter a defamatory comment the usual norm is to present the truth.

This was the explanation given by Luis Orlando everywhere. He showed some documents and seemed very offended; you might even say that he was indignant about the accusations. We trusted him and everything seemed a misinterpretation, a confusion, a comment stemming from a lack of information concerning the purchase and repairs to the house -- although he admitted his participation in the matter. Thus ended that part of the process which began with the complaint. Then, after a long time, Comrade Pepin gave me the general details of what documents had been received, what had been done, who said what, what explanations were given -- and the matter was not brought up again. At least I did not hear about the matter for quite some time.

I don't know if we had also received a report criticizing the translucent tiles installed in his former residence -- his family still lived there -- which is located at 3d and 34th. Nothing else until more recent information draws our attention to this residence. It happened this way. I will explain how we began to receive reports; I even have the exact day of the week and month [laughs]. This took place on 25 May; it was a Monday. Comrade Susana Reina [coughs], who has worked with us many years, came to talk with Neria [coughs] the comrade in charge of the office. Reina said she does not bring gossip [coughs]. She just wanted to present an official report. She had visited that area the previous Sunday and had heard some comments about Luis Orlando's residence there; and she was concerned about the comments she heard and the things she saw. Susana said this was not mere gossip; she wanted to make an official report.

On Wednesday [coughs], 26 May [as heard], Pepin told me what Susana had said. He had not talked with her yet [coughs] but he mentioned the report. Around 3 June, a Wednesday, Pepin talked with Susana Reina at length and heard more details. She said some colored lights and fountains had been installed, even a high fence and many other things. It was even rumored there was an electricity bill for 512 pesos. This is what Susana reported. She also reported there was a rift with the director of the electric company because [coughs] Landi had mentioned a job that had to be done. He implied it was an official job, an institutional job for the Council of State, when he presented the request for the power installations.

This happened on the 3d and Pepin reported this to me. [coughs] On Friday, 5 June, I talked with Susana since the matter had been brought up again. She explained everything. This happened on 5 June, a Friday. [coughs] She also mentioned the director of the electric company and I asked who he was, if anyone knew him. Pepin explained that he knew the man. He's Comrade Sergio [coughs] and has worked with him. He is a party member and can be trusted. We wanted to begin some discreet inquiries. I asked if the comrade could be trusted for this kind of question, and he said yes. I asked him to talk with Comrade Dimas to find out as much as possible about the electric bill, the colossal bill that was talked about.

If there was any arrangement about the bill, if it would be paid in installments or what. I even wanted to know if this was an accumulated debt or if it was a month's billing. It seemed impossible. I also asked for a report on how the request was presented to the people's government enterprise. That is what I asked for on the afternoon of 5 June.

I talked with Comrade Pascualito [Division General Pascual Martinez] who is first vice minister of the MININT [Ministry of Interior] that same evening. [Division General Jose] Abrahantes was not there. Comrade Abrahantes was participating in the maneuvers of 5 July. I did not want to wait, so I called Comrade Pascualito. I explained everything seemed very strange. I wanted to go over there -- I like to go whenever I can -- but it would be too obvious. Sometimes I discover things. I said: I would like to go over there or at least see what that residence looks like. I asked him to take some pictures of the house -- very discreetly, of course -- to see how it looked. This was on Friday.

On Monday the comrades of the MININT... [corrects himself] Pascualito came to see me and brought the pictures and a video of everything. That was an important element. It was possible that everything was different when the work began but, since 1 and 1/2 years had passed, everything looked thriving and different. The pictures, but most of all the video cassette... [changes thought] I have the cassette somewhere and I even considered showing it to you so you could be as impressed as I was. When I saw the pictures -- particularly the video -- I could see an entire block had been fenced in. This was not simply the repairs made to a house, meaning that it has to be checked to see if you have to build something, repair something, or add something.

Everyone knows the construction companies charge extremely high fees. There are some eminent scientists, doctors, and personalities in this country who were given a residence in Alta Habana. Some doctors moved there and cannot pay the repairs because the companies are organized in such a way you cannot pay what they charge -- just like the foreign debt. I have mentioned this many times! [laughs] We mentioned this during the October meetings. We said their main income was the sale of materials, and the material costs as much as what was already installed.

We are therefore analyzing the real basis of this maintenance, because some of those prominent personalities -- who are highly honorable people and are a glory to our country in the scientific sector -- cannot afford to pay 10,000 or 15,000 or 20,000 pesos in repairs. So, the state has paid for the repairs. Yes, we have repaired for these people's houses because they lack the means. This is fair and we have done it in many cases because the country is very grateful to them. Furthermore, their salary as specialists -- 400 or 450 pesos -- is not enough.

However, we're talking about repairs in a house -- meaning it was repaired, painted, and then the bill was paid -- but no, no, what we saw was a Garden of Eden. This house was not simply repaired; it had a tremendous garden. We could see the pictures, which showed a rocky terrain -- and everyone knows how much the landscaping companies charge for any small job. I have seen their work in the family doctor's houses. I also saw the new model house we are preparing for next year. I saw the garden and could only think about the thousands that the landscaping company charges for a single yard. When I saw the pictures I thought: Landscaping in this rocky terrain must cost a fortune! It had nothing to do with security. I saw that they had installed a Peerless Fence -- approximately 200-300 meters of Peerless fence -- and row after row of flower beds behind the fence. A wall of flowers made it impossible to see inside. The front part was almost 100 meters, plus a wall with metal -- a low wall, the columns, and the fence. This was not part of the repairs to a residence.

We could not conceive such a lack of common sense and sensitivity! That is what we saw on the 8th. I then asked the Comrades in the MININT to investigate very discreetly how a house in Artemisa had become a residence with a Garden of Eden. How was this done? Who did this and who paid for it? I told them to be very discreet because it would not be convenient for anyone to find out we were investigating anything since it involved a man in charge of an airline which included large and small airplanes. We would discreetly investigate as a precautionary measure.

Well, we did not think anything further but we wanted to know how the contacts were made and all that. We discussed it the same day. Reports began to come in the next day. Pepin talked with the man at the electric company. The man in the electric company sent a report on the house at Celimar dated 9 June 1987. He said: Referring to the matter I can tell you the following. Late in 1985 Comrade Luis Orlando Dominguez called me to the State Council offices. The purchase of the house coincided with the date he was transferred there. He began his contacts while still working at the State Council office, not at the electric company. The report adds: He wanted to explain what kind of job had to be done.

I went to his office with a fellow project member who is absolutely trustworthy, a member of the party. Landi told me they were preparing a house in the Celimar section. He did not say it was he; they were relatives. The man thinks that he has been called to the office on an institutional matter of the state, that he is going to repair a house there. And they needed electricity.

We accompanied him to the place and we installed two transformers in the house. Landi also asked us to install sodium gas lights on his block. I recommended mercury lights, which are better. They were better and gave more light. We installed the lights in the entire neighborhood so the house would not stand out so much.

The other fellow and I thought the house belonged to the Council of State. Later, 2 or 3 months later, Landi called me to ask for an inspector because he had been billed 525 pesos. We sent a trusted comrade to investigate the information and the investigation yielded the following: 1) The house or electric bill was in Comrade Berta's name. His wife. 2) The 525 pesos had accumulated because the meter reader was unable to do his job because he did not have access to the meter as the house was closed. Therefore, when he finally read the meter, consumption showed that amount. That is what he explains. I must point out he paid the bill.

Following is an account of the months from January to May. It shows how much was consumed: 153, 86, 109, 111, 126. It was not that huge amount [as heard]. However, it seems there were three bills together. The bill of the other residence showed: January, 121; February, 148; March, 169; April, 183; May, 268. It was getting to be too many things, too many expenses. We had to find out about all those materials, where that fence came from, all that. It was beginning to be evident this was not in accord with the income he might have had.

Can it be surmised the bill was left at the local grocery store? Could he ascertain that? No, I could not, he said. Was the bill left at the local grocery store? My understanding was that it was, according to the conversation that time with the comrades from the (Guanapolis) office. That is what he explains.

It can be clearly seen here that from his office he has in a certain way deceived the man from the electric company, he doesn't tell him what it's for. He makes him believe it is an institutional activity, it is a guest house, or whatever. They then began to worry.

What about that empty house there? What if a delegation comes here? and they even install more lights in the neighborhood.

New leaks of the documents detailing the way in which he arranged the construction with the enterprise. A report appeared from the construction enterprise. It says: In compliance with your request, we have detailed everything concerning the work carried out in Celimar for Comrade Luis Orlando Dominguez. It gives the address and states: At the beginning of this year...[changes thought] this report was available since late 1985; this must be a mistake, because it seems this was around the middle of the year. I was summoned to the Council of State, to the offices of the abovementioned comrade. At this time, he himself talked to us about the need for remodeling a house as a guest house. We were given an appointment to come back later for the address, San Gil street in the same neighborhood. Some specialists would be there representing him and the enterprise.

At this meeting, some technical definitions were reached concerning the house for whose execution some small projects were necessary, and a new date was fixed to review progress in the definition of the project. So there were discussions as to the kind of project. It was only at the end [words indistinct] that he says he doesn't want to involve the Council of State; that it's for a family.

These are the details that I possessed at the beginning of the week of 8 June. Taking into account all the criticism against him -- not just for this -- the fact is he deceived the enterprises by pretending it was an official activity since he was still there in that office. Imagine the cost. Imagine the discredit for the revolution. Those fences and all the other things. The lack of elemental political sense and sensitivity. This was enough to dismiss him from his post.

I reached that conclusion. I even talked to some comrades in the government, in the Politburo. I explained these things to them. I told them we have to find a replacement because that company is very important. The company has a 200-million-pesos budget. That company has \$45 million in income. The company has enormous importance. Because of its services, because of everything. And we have been making a big effort to make the company efficient. I said we have to look for someone. We were hoping to select a comrade quickly. I proposed this in midweek: to select a comrade and send him there. I think we took our time, that investigations were conducted with all discretion possible. I waited for the report on the transactions involving Artemisa and Celimar. How that became this.

That week the comrades of the ministry gathered information from various places and handed the report to Comrade Pepin around Friday and I saw it on Saturday night. I am telling you about it in the order I received the information. What does it say? What does the ministry report indicate? The report was made without much asking around so the fact we were conducting an investigation would not be discovered. It says: The house is located at No 52 Santa Angela Street corner San Gil, Celimar neighborhood, where it takes practically a whole block. In order for Luis Orlando to acquire that house he did the following things. He bought a house on No 50 Santa Angela, between Velasquez and Del Mar Avenue for 25,000 pesos from Dr Jose Federico tamayo Veranda. He exchanged this house for another one located at No 653, between San Gil and Villa Blanca, property of the Playa del Este enterprise tourism plan. He also exchanged this one for the one he occupies today which used to be the rightful property of citizen Ramon Diaz Hernandez.

A piece of information is seen here already. He buys a first house for 25,000 pesos. It was already noted here the other one had been sold for 18,000. The difference of money plus all the other expenses make this matter somewhat strange.

It says: All this was done in May and the beginning of June, 1985. It goes on saying: After this house's file was reviewed we noticed interesting details. Of course, the file included the documents for the purchase, exchange, and the other exchange which takes place in a short period of time. It is clearly seen that the influence factor plays a role in solving the problem. The comrade says: The purchase of the mentioned house is under the name of Orlando's current wife, Berta Juana Pereda Rodriguez. Luis Orlando's name does not appear in any of the transactions and does not appear among the official inhabitants of the house. It states: An important fact stands out, that the purchase was legalized despite a resolution of the Physical Planning Institute and a commander in chief guideline freezing the sale of houses to private citizens in tourist areas. I had been in 1986... [leaves sentence unfinished]

This is an old policy like the one in Tarara, Old Tarara, that center, that magnificent center for children, that so many children have enjoyed. We started to get them little by little from the houses of those who left. It was a school. But there are many people living there. Houses were bought there for many years. There are some private citizens living there, I do not know if there are five or six. So everyone who wanted to buy, we did not allow them to sell them. We bought them. I suggested it because I saw a mistake being made in Guanabo. People from Santa Maria were placed in Guanabo because they wanted to use Santa Maria for tourism. I said that was impossible. They wanted to use this area for tourists only and I said that was impossible. The people spontaneously go to those beaches. They may have to be used for tourism, we need them in certain months but it is impossible to do that in the summer. An army would have to be placed there and then the army is the one to enjoy the beach. [laughter] I told the people carrying out the plan: Around Guanabo -- I say -- you are eliminating small hotels to house people who live there. I told them: Don't do that; you are depopulating these areas. Let's preserve and develop both: one aimed more at international tourism and the other at domestic tourism. Let's improve Guanabo because it is a good place, let's preserve the [word indistinct] I remember we got soft ice cream machines and a number of other things to improve that. I said, let's make a town for these workers, do not turn these places which the population needs into residences for others. The city has 2 million people. There is no room here. We have followed a policy such as the one followed in Varadero where, as a rule, no construction is being done and no sales made. To tell the truth Celimar and the place known as Bacuranao is not a great beach but anyway is one of those areas and we have to be careful what is done there. It is more or less a tourist area.

So: It was legalized despite a resolution of the Physical Planning Institute and a guideline set by the commander in chief that freezes the sale of houses to private citizens in tourist areas. It says: the house was expanded and remodeled after it was exchanged. The source estimates its current value reaches the amount of 80,000 pesos. There was a story that the money for the purchase of the house was provided by Ramon Pereda Carpo, Luis Orlando's father-in-law, as a result of the sale of a farm he had in Artemisa, but it was impossible to confirm this. The sources interviewed said Ramon sold a house he owned to a small farmer for 18,000 pesos which, added to an amount of money his daughter allegedly had, made possible the purchase of the Celimar house. One has to take into account how much does the comrade who sold the house make, how much does the comrade that appears as proprietor make, all these details. Later it was shown it was not 18,000 but 17,000. But we saw here there were 7,000 pesos involved in the purchase in addition to the moving expenses and not counting the regular expenses, without going any further, only looking at what was clear. It appeared to be more money than usual in addition to electrical bills here and there.

Then, summarizing, this contract of sale and purchase in Artemisa is not registered at the housing department at Artemisa. Summarizing, in this case, leaving out other evaluations, the illegalities we note below are evident: Luis Orlando purchased a home in an area where this kind of private transaction is prohibited.

In an apparent direct relation with that purchase, Luis Orlando's in-laws sold a house to private individuals in Artemisa, which is not legal at the housing department. We attached photocopies of all the documents in the file at the housing department in Havana del Este municipality -- which is said to exist at the housing department in Havana de Este municipality [as heard] -- on the house in Celimar. Is this clear up to here? It is understood, isn't it? I was looking at them on Saturday evening at the office and I was chatting with Comrade Pepin, who handed this to me. Then it says -- there is something here: Another report was attached to this report. It was prepared by a MININT official, and called attention to a number of irregularities regarding the former house of Luis Orlando Dominguez on 3d and 34th in Miramar. This report included information -- which arrived with this one, so the ministry tried to investigate a little -- that says: This report included information on successive expansions and remodelings, handling of important amounts in national currency and dollars, and abundant import products. The accusations could have already had more serious implications.

This is what we saw on Saturday evening. Let me see, what Saturday was that? The exact day. Is it the 12th? Does anyone have a calendar? The 12th? It was Saturday the 12th. The 13th, 14th, he was dismissed on... On what day was he dismissed? On Sunday? No. I believe that... [voice of unidentified speaker says: "On Monday."] On Monday the what? [Same speaker says: "Monday the 15th. That was on Saturday"] Then it was on the evening of Saturday the 13th. Saturday the 13th. It was close to midnight when we started all this. When I saw all of this, I saw it had a certain scope. If there was a risk it would leak out, there was a risk, and by then I was really suspicious. There was no proof, but I was really suspicious by then that when we rummaged into this we would find more things.

I told Comrade Pepin we had to speed up -- we could not wait for the selection of a replacement -- the replacement. That was the immediate step. We said, we estimated that well, whoever has to go there will go there now, even if on a provisional basis, to resolve... [changes thought] I even told Pepin: If you have to go there, you will go there with any other comrade to deal with that problem. This cannot wait. I was worried about waiting even 24 hours. I was already suspicious. Then we found that Comrade Lezcano had left Havana. Authorization to leave Havana had not been requested in many months. I had not seen him leave, not even a single day, and then he left that Sunday. Then I said: We have to wait for Lezcano to return so that Lezcano will go and tell him that he has instructions from me to inform him that he has been dismissed.

In addition to this, the directorate council had to assemble to explain to its members -- because that enterprise cannot be stopped just like that, be left without a head -- and review the cadres who were there, as well as the number two at the enterprise, and assemble the directorate committee to explain to them the dismissal and the reasons for the dismissal, and also to explain this to the members of the party nucleus.

Naturally, after his dismissal, he was no longer there. He had no functions. It was easier that if there were serious things, this individual could desert. Just like that: Simply desert. By intuition I said: Give him his clearance papers, especially after I saw the other reports, which are not proven. These are reports, stories. Then I decided that Lezcano be told, that Lezcano not talk to him about any other problem, that he exclusively refer to the house, to that which was proven up to then. We had proof that he used his position at the office; that he deceived those people; that he made an ostentatious and luxurious remodeling, investing all kinds of resources, doing illegal things, and really, abusing his position; all these things that were coming out, and explain them to him, but do not mention any other problem.

It is not a good idea. He was dismissed; he no longer had functions there at the enterprise, but until then we had no other evidence. Moreover, during the week, when I chatted with the comrades about the need to dismiss him, I said we must only dismiss him, we must have the house returned at once, find an apartment, see what he gave, so they will not be on the street, find an apartment where the family can go; and find out if he already already paid something on the house, 17,000 or 18,000, and simply return the house to the state, so the state will occupy that house, and send Landi to work in a factory.

I told the comrades: This is what we have been thinking about this week. That is the idea. On Sunday, when we sent our people we said: Well, we have to close this case quickly. Then, after he is dismissed, we will conduct the investigations more openly on this and other problems, the problems that were cited in the other report.

This was the situation when Monday came and he was informed about his dismissal and the reasons for it. That was proven. We had proof of what he had done. A 17,000-peso house had become an 80,000-peso house. It was a true miracle. It was done carefully and cautiously. As I said, this was on Monday, the 15th. Lezcano met with him and explained everything to him. They went to the Directorate's Council [Consejo de Direccion] to do the paperwork. The comrade who was second in command there and who has to assume full responsibility for a while was told to keep in contact with the office, and if he needs any help or has to solve any problems, to consult first. he is told not to allow the enterprise to stop operating [word indistinct] a single minute.

On that day, Landi wrote a letter addressed to Pepin. I must read you this letter so you can see how he reacted in the face of his dismissal. Nothing had been published yet. The publication was made on Tuesday and what was said in the newspaper is strictly the truth. It was strictly the truth, what we proved about what he did. We did not touch on the other problem so he would not have any idea...but there was a clue about other matters.

Evidently, he believed that constituted all the charges and he sent a letter. Here it is: I listened to Lezcano with caution and surprise. I remind you that one day, more than 1 and 1/2 years ago, I went to you with regard to a charge by citizen Roque, a member of the Granma expedition and a person frustrated with the revolution. Back then I made a general explanation to you about the way in which that house was obtained, exchanged, and repaired. I remember that I showed you all the documents and you barely looked at them because of the trust that existed. In fact, we even agreed that you were going to send them to Fidel. Several days later, you told me you had already done so.

Later, an investigation was conducted -- that was evident -- about actions that had occurred more than 2 years earlier. It must be clarified that this exchange took place on 11 June 1985. The exchange, which was finalized on 11 June 1985, occurred long before Fidel's tour of Playa del Este where he ordered a freeze of the area [as heard].

It is not true there was a fraudulent dealing in the plan to obtain a house by means of swapping and cronyism. Because of his needs, the individual proposed a swap, as is his right, and offered a smaller house: three bedrooms, one story, and a small backyard. He offered it in exchange for that which was originally acquired by his family: two stories, four bedrooms, a big backyard, and a porch.

By looking at the many inaccurate facts contained in the conclusions of the investigation, which I learned about from Lezcano only in part, I think that what was involved was an analysis lacking key factors. And, as far as I am concerned, I have not had many opportunities to explain facts and situations.

I think the linking of this matter to a situation that is grave and difficult for the revolution can explain decisions that are so drastic and immediate.

After much meditation, I have no other choice but to speculate, because I do not have all the facts to understand the reason for this situation. I decided to wait with patience and, especially, with trust.

Today, I reiterate what I explained to you more than 1 and 1/2 years ago. My responsibility in this matter is threefold: First, I helped speed up the bothersome and lengthy paperwork, but in so doing, strictly abided by the law. Second, I negotiated the repair of the house with an enterprise of the People's Government, but under a private contract. Third, I permitted the house to be associated with me. That was my biggest mistake.

As if he was saying that he lived there. [Fidel explains and then continues to read the letter]

Of course, these are now new facts. They are known facts and I explained them at the time when I had to explain them. I still remember that you asked me: If that house is established as being yours, would that solve your problem in that regard? Unconvinced, I said yes because I did not want my personal affairs to continue to be spread around. I should have said no. It was most probable I would not live there but (?somewhere else).

He said [in the letter]: I think I was clear every time I referred to this matter. Pepin, there are moments in the lives of men that call for the deepest and truest reflections.

As Fidel said on one occasion: If I had the chance to live my life again, I would do many things differently but in no way I would change my passion for the revolution.

He said [Fidel repeats]: As Fidel said on one occasion: If I had the chance to live my life again, I would do many things differently, but in no way would I change my passion for the revolution, my devotion to duty, and my loyalty to Fidel.

I now recall when I began to fight, at 13, within the Association of Rebel Youth.

And almost 30 years later, exactly today, 15 June 1987, a cycle is ending that has imposed the most difficult test on my personal and political life in the eyes of society, my daughters, my close relatives, and my comrades.

There will not be a place in Cuba, as remote as it may be, where I can hide my face. However, escape and evasion are not choices. All that is left for me is to face reality and to fight.

Regarding Fidel's decision, if, regardless of his personal justness, this decision is useful and necessary to the country at this complex and difficult moment -- a moment that is also full of hopes -- then I accept it.

Viewed within the context of its political and social meaning and because of the campaigns we must face, I think this decision is necessary and inevitable. Only looking at it that way, I interpret it and accept it. I also understand that trust in me has been lost and I will fight to regain this trust.

As far as my address is concerned, I cannot give you an exact one at this time because I am immediately breaking my ties with the house that has created conflict, and which does not belong to me and is not the fruit of my abuse of power and much less of an illegal dealings.

I do not think it is necessary for me to explain any more facts and situations.

I am at your service, regards.

He then said: I am attaching several notes that I wrote several years ago when Roque's denunciation was made. Lezcano read it [as heard] in the meeting when he notified me of my replacement.

He then wrote in his own writing at the end: When a lie starts to spread, it becomes gigantic like a snowball, for example, with groundless comments that will soon even indicate that an airport brigade worked there with sophisticated equipment. Not to say the truth weakens the revolution just as it is weakened by the sanctification of a lie.

That is what was written that day. [It was like] poet Placido [Pseudonym of the 19th Century Cuban poet Gabriel de la Concepcion Valdes] on the eve of his execution. Slander, the infamous veil of slander, has to be torn away. [sentence as heard] But that is normal, legal, and just. It was an injustice. Well, it was like a sacrifice for the revolution. He assumed and accepted it. The revolution needed to teach a lesson. The revolution needed a victim. that is the content of that letter.

When I saw this letter, I said well... [changes thought] he then wrote one to me. It was more or less the same but less pathetic. It was in another tone from the one that arrived first. I said this comrade is totally irresponsible. He is beyond good and bad. Either he is incapable of distinguishing between good and bad, or he is cynical. I reached that conclusion. The investigations continued more openly but not in a totally open manner. They continued more openly because to make more investigations, arrests had to be made and a few people had to be questioned. What we wanted was to act with certainty and to gather more information before going further into full investigations.

The note came out on Tuesday. I think it was on the 16th, Monday was the 15th. There were not as yet many reports. At the end of Tuesday, there were reports that he had been inquiring in the Banco Financiero about the funds in the accounts there and trying to transfer some accounts he managed to other accounts of Cubana. That is what seems a little strange. Then they send a paper for a transfer and date it with an earlier date. They draw it up on the 16th and they put a date, they send someone to deliver it, and an order is given as if were before the replacement. That is very strange. That movement was immediately reported. Nothing more happened on Tuesday. Something did happen but I learned about it on Wednesday. On Tuesday, as soon as the report was published in the newspaper, the father-in-law or someone sent by the father-in-law appears to return a car that had been bought there at CUBALCE [state enterprise in charge of supplying diplomatic stores] with foreign currency. A review had been carried out previously in CUBALCE of the various orders there because the institution has to authorize purchases because there are regulations. I think it is advisable that this be explained so it will be understood.

Cubalce is an institution that takes care of the diplomats and foreign technicians in different establishments. The regulations establish who is authorized to buy there. Some nationals are authorized to buy there. I will explain this. According to the measures of the directional system and economic planning, some funds had been assigned to duly authorized state institutions back in 1981. This is not totally incorrect. I know that an institution needs a minimum amount of funds for things that come up. For example, in Villa Clara I found a \$100,000 automatic lathe out of operation because it lacked a small electric part. A total and absolute centralization of foreign trade is not good because these are big enterprises that have tens of thousands of things and the annual plans should include some resources in the hands of the enterprises because if they need to buy a part and have it sent; they can even send it by plane. It is too bothersome to carry this out through a total centralization. That is why the principle is not correct. [Words indistinct] some funds were allocated, small amounts for these things.

In fact, because of current shortage problems, we have suspended that [not further identified], as was the case in 1981, or 1984 or 1985; the main group suspended that.

However, in the same system we offered certain incentives to organizations for exporting or saving raw materials that generate foreign currency. A portion of those savings was given to those organizations that made special efforts to decrease the consumption of petroleum, which could then be exported. That was an incentive given to organizations. They could in turn invest in a computer, materials, equipment, or transportation. The organization could invest. That practice was also suspended for the reasons already explained.

There were certain premiums for the usage of the organization, not for individuals in the organization. There were certain state organizations that were appropriately authorized to buy in CUBALCE: religious organizations with approval from the Office of Religious Affairs of the CPC Central Committee; leaders, officials, and other employees of Cuban missions; and representatives of companies and organizations and other state entities authorized to work abroad continuously for 12 months or more, including those authorized to work in foreign companies with Cuban interests. If they brought money saved there, did not spend it, did not buy things, they brought it back and authorized to buy. This was done years ago.

Also authorized to buy are officials and workers authorized to collaborate on an ongoing basis with international organizations, associations, banks, and other similar entities abroad; international volunteers and workers who have been working continuously for 12 months or more under the compensation program and are being paid -- that is, when donations are not involved because of the area that those builders or physicians pay -- and crewmen of merchant fishing vessels and aircraft receiving revenues in freely convertible currencies. They are not paid [as heard]; they receive a rather small sum, which has remained the same although the value of the dollar has decreased. Actually, many of them refrain from spending that money; to the extent possible, they save it. In the past, they brought things, but a few years ago they were authorized to buy.

Also authorized to buy are personnel working in embassies in Cuba as well as in other foreign organizations operating in our country, with the exception of those in foreign companies with Cuban interests. Those companies are authorized to pay the salaries of Cubans in freely convertible currency. There are Cuban personnel paid at embassies in convertible currency. In fact, sometimes ambassadors wish to reward workers; they buy workers things for having served them many years. Sometimes ambassadors even buy automobiles for embassy employees.

Also authorized to buy are beneficiaries of inheritances handled via the National Bank of Cuba or CUBALCE's international office, as well as other legitimate funds coming from abroad. Inheritances can be left abroad, but people are authorized to bring them here. Others authorized to buy are: foreign nationals permanently residing in Cuba who receive currency that is freely convertible into foreign currency, foreign nationals residing temporarily in Cuba who receive currency that is freely convertible into foreign currency, and foreign nationals temporarily residing in Cuba under a scholarship. Some who come here, such as physicians who are studying a particular field and some students under scholarships receive money in foreign currency.

This was analyzed at length. We agreed on a number of issues. This document reads: The sale of goods and services to state organizations mainly aims to prevent the purchase abroad of items carried by CUBALCE in its chain of stores at lower prices. In addition, travel, lodging, and food expenses of officials involved are saved.

If you wish, I could cite an example. Journalists [Castro chuckles] there are many journalists here -- needed recorders, typewriters, and a number of other things. These were only a few things, but they had not been included in any budget.

We had to find the funds for that. We asked CUBALCE: Can you supply all these things we need for journalists; it amounts to several tens of thousands of pesos? CUBALCE, which represents some [word indistinct] companies, quickly supplied everything.

Right now, we have to find funds for writers, because they need typewriters and I forget how many other things. This would require sending who knows who and from what organizations to Japan and here and there to purchase at low prices.

Now, the sale to Cuban officials working in our missions abroad and crewmen of merchant and fishing vessels, aircraft, and others previously mentioned are aimed at preventing them from purchasing goods and services abroad; we want them to spend foreign currency in our country.

That is the policy created by the followed. And I can tell you more: CUBALCE was revolution at a time when it was nonexistent. It has turned out to be an important source of foreign currency revenues for the country. Those funds are targeted for a number of important programs, especially for the development of public health programs. I want to you to know this: Our programs are backed by funds collected by CUBALCE, which are increasing year after year.

Those are the people authorized to buy. The organization must be aware of its responsibility, because anyone [Castro chuckles] can show up there and claim to be a pilot, sailor, or whatever. On Tuesday, someone came to return a car, and on Wednesday afternoon, we met with the Politburo to analyze the work of the [words indistinct] of the economy and were handed a very important report. I am forced to mention names here. The names of three relatives who sent a letter to the CUBALCE director that reads: By this means, I ask you to authorize operational control for comrade Olga Solis Caro -- and here they point out that she is [Castro chuckles] a (?great) worker in that place, as if she were among the ranks of those who are authorized to buy -- to purchase a car with foreign currency. I regret this -- and I reiterate that I wish to mention as few names as possible -- but in this case, he handed over the money. No...[Castro changes thought] foreign currency was obtained; a fraudulent document was issued allowing a relative to acquire a new car with foreign currency. That letter is dated 22 March 1987.

On 29 March, there was another letter that reads: By this means, I ask you to authorize operational control for Comrade Ramon Pereda Carpio to purchase a new car with foreign currency. There was yet another letter on 4 April -- three cars in 2 weeks. It reads: By this means I ask that you authorize operational control for comrade name, who is the oldest daughter of his new wife, to acquire a car paid with foreign currency.

Naturally, other cars arrived. These were, of course, for the drivers, for the secretary, also paid for with foreign exchange. But there was a difference between one and the other. He may have misused resources, employed cronyism, favoritism. He gave a car to someone who works there. This was not the case with the other incidents. In the other cases...[change thoughts]. The proof. The proof of the use of resources, of the use of the resources utilization of resources, of the appropriation of resources and the use of those resources to give vehicles to persons who had nothing to do with the institution and were his relatives.

This was the evidence. Here lies the real proof of the misappropriation. From this moment on, I say: Where did the dollars [not further identified] come from? Where could they come from? Will the final explanation be that Santa Claus came down from heaven and delivered convertible foreign exchange? I am already seeing all this. I have the certainty, because there is also fraud, and I ask: did the institution buy it and pay in foreign exchange? Look at this subtle difference! Or did he deliver the money? No, no. They arrived with money in hand to purchase the cars.

I said: Here is complete proof. This was on Wednesday afternoon. Then I met with the comrades of the ministry, who were already exercising their elementary control, and they were instructed to arrest him. He was arrested after we had the evidence, because we had basic, necessary evidence.

Instructions were issued to summon and to interrogate a number of persons who worked with him because there were already clues that they were involved in certain activities. Check into the degree of responsibility of each one, or of this type of complicity, because there were also reports of purchases in the diplomart [diplomercado] and of some IOU's. I then said to arrest him and simultaneously to summon a list of persons to give explanations so we could gather the information immediately. However, we already had the evidence. Therefore, when the decision about the arrest was adopted, we already had evidence.

Of course, in these matters everything progressed gradually and he admitted things as facts were revealed; in light of all this... [changes thought] Well, I'll speak later about that, about the letter, about Monday. So, the office manager, the assistant, other people who had business with him, the driver, and a number of people from whom we obtained information.

Concerning the car sales, he admitted, he testified that he initially thought of selling... [changes thought] he talked with (Mancique) to sell them to some comrades of Cubana de Aviacion for the country to retrieve the foreign exchange. However, he admitted to fraudulently authorizing the sale of several cars to his relatives, their wives and friends, to (Manuel Dalmau Alarcon), and to his father-in-law, to whom he not only gave the authorization, but also the dollars to make the purchase. Santa Claus did not show up. One could determine the origin of the dollars.

This was, furthermore... [changes thought] I am recounting it the way we received all of this. He testified that the foreign exchange -- approximately \$2,000 or \$3,000 -- had resulted from his trips abroad, and this was from what he had stashed away. He explained that with this money he had sometimes purchased quite a bit, I would say childishly... [Castro leaves thought unfinished]. He helped the family to buy the car registration [diploma de carro]. He made some remarks here of a family nature, which I do not want to read. I want to implicate as few other people or relatives as possible because this is a delicate and painful matter.

However, he mentioned a few dollars. He said he had \$200 or \$300 left, which he moved to his office. That is when we detained him, questioned the others, and proceeded to search both his houses -- the old house, where his family lives, and the new one. Surprises appeared. During our searches so far, we have confiscated the following: The house located on 3d and 34d street; inside the safe we opened, two handbags with \$122,580 and 144,000 pesos in local currency.

In his initial statements he claims not to have known what he had there that he had spent most of it and only 200 or 300 [currency not specified] remained. There was also one savings account book for 40,000 pesos in the name of his former wife. On the day he was arrested, on Thursday afternoon we also received news of the following at the house at Celimar: \$3,375 and 55,000 in local currency, which were found inside the safe and in a briefcase inside the car. During the search at 3d and 34th it was reported that there were three bedrooms used as storerooms that contained great amounts of clothing, electronic equipment, and other things. At the Celimar house there were great amounts of packages containing clothes. Because of the amount, we do not have the full inventory yet.

In his statements, Dalmau Alarcon said he had traveled four times to Panama, as ordered by Luis Orlando, taking with him \$40,000, \$30,000, \$10,000, and \$20,000 respectively, to purchase goods, in which he mentions mosaic tiles, curtains, carpets, plastic swimming pools, furniture, ceiling fans, yacht engines, exercise bicycles, and so on.

Nahelquel Diaz said he took from the Customs House to both houses, every month, various equipment; he did not know if the equipment was confiscated items or items bought in shops. It seems the bottom of the barrel had been reached, but even then still more things kept appearing, although the essential things are here.

This was on the Thursday, the day he was arrested. Things kept appearing, such as tips, unequivocal evidence. It would be a long list to read each one. A notebook was confiscated marked: withdrawal operation. Some childish things, incredible things. When he was arrested, he did not mention the money. Did he think we would not dig deep into the investigation?

On Monday -- It seems on Monday he had already been fired -- he wrote this Placido letter, this pathetic letter, he was also writing: operation withdrawal. He jotted down: Clear up the matter of the money I received from Aereo Caribbean; repay the money -- this means he is thinking of how much money the account he is handling has. Seek justification for the purchases made with this money; letters to Osmani [Osmani Cienfuegos] on use of the money; letter to Pepin regarding the purchase of vehicles; balance the account; close the special account transferring the remaining funds to private account; seek justification for expenditures; decide what must be done with the vehicles and funds; find a place to hide things; cover up the house in Coli -- he seems to have forgotten there was a small store in Coli that belonged to the camping association. Look for documents and make the house a government house; decide what important and special mail I must take with me -- we later found out that when he mailed these letters he issued instructions to keep these letters out of the file and that all letters be given to him; however, he left papers and documents behind along the way, as cool as anything. Check the various details; order the purchase of vehicles with foreign exchange; decide which paintings I will take with me -- he is thinking of the paintings he wants to take with him. Clean out the office; and so forth. He then jotted down the word money and lists more things to be done and (?other thoughts): Former wife, 40,000 pesos in the bank; another 120,000-pesos account in the names of his former wife and the woman who raised him; cash reserves, 160,000 pesos; the account used there, 144,000 pesos; total money in the accounts: 320,000 pesos [all numbers as heard]. This was written in his own handwriting, and it is part of the clean-up operation.

Amounts in the accounts of his new family: wife, 38,000 pesos in the bank; wife's youngest daughter, 2,000 pesos in the bank; wife's oldest daughter, 10,000 pesos in the bank; father-in-law, 20,000 pesos in the bank.

This gives us a total of 60,000 pesos plus 55,000 pesos [all numbers as heard]. The other account had 144,000, and this one has 55,000 pesos. In addition to all these bank accounts, we see he bought a car, using foreign exchange, for all of the above mentioned -- except for the youngest child.

This was some sort of obsession, madness. He even gave a car to the husband of his wife's oldest daughter. He was a Santa Claus. That is what he was. Believe it or not, I am telling you all we have learned. He bought houses in Coli and other places; he bought imported goods. He used the needs of the institution he worked for to get the money to buy what he wanted. He practically became a kleptomaniac, a kleptomaniac [Castro repeats himself]. He took all he could; he stole in a most absurd manner. Absurd.

We have proof of all this. We would add that much of the proof was gathered with his help; yes, we could say that. We have proof in the letters he wrote.

On Saturday, 20 June, he sent me a letter. When he wants to, he can write. In this letter, he gave us interesting information. In the letter, he talks about his bitter memories, his serious mistakes, his reason for living, his trust in me and the party, his struggle to confront the future with courage, strength, and so forth. He continued: If during an emotional outburst, I embrace the idea -- I think he is talking about taking his own life -- the important moments of my life, correctly or wrongly given to the cause since I was 13 years of age, will serve as an antidote in this attempt.

There are some unreal things here; there is an important paragraph in which he states: I admit the situation that was uncovered, which is extremely shameful for me, has served to stop me from falling to aberrant levels. The most aberrant level is treason, things that traitors do. An aberrant level is defection. Defection is a one-way street.

Then we see some real things in the letter when he states: I am aware that the Central Committee and my party nucleus will have to voice their opinion, and my only hope and encouragement is the possibility to fight in an area that demands the greatest sacrifice. Now he says it. As if this were possible -- the possibility to fight in an area that demands the greatest sacrifice. He continues to state: At this moment, I am worried about the revolution; I am worried my image of a revolutionary will be lost; I am worried I will not be given the opportunity to correct my own mistakes; I am worried about my daughters; I am worried about the memories I will leave -- those memories that live after one is dead; I wonder if I will have the time, health, and life to overcome the disgrace to which I have fallen and this will not follow me around always. All these unbelievable things were written on Saturday. There are some crazy aspects in this letter.

Then we have Monday's letter. This letter was received after we had learned certain things that were enough to adopt certain measures. Analyze this letter in the light of the fact later discovered and proven. Then comes that sentence: as to Fidel's decision, whether fair in itself or not, if it is useful and necessary to the country at this moment that is so complex and difficult and (?full of expectation) for the revolution, then I accept it. He talks as if we were being unjust, as if we were taking a comrade and using him as a scapegoat because the revolution needed a scapegoat. The revolution has never used anyone as a scapegoat, not even an enemy. We must also be careful with rumors. Not telling the truth weakens the revolution and making a lie holy also weakens the revolution. No matter how hard it may be to tell the truth, we are telling the truth and we are not telling holy lies.

I continue searching for the mechanisms he used, how he could have done this sort of thing, where did the funds come from, when did he start acting this way? When did he start acting this way? [Castro repeats himself] Apparently, it began when, it started to become clear, during the time he was responsible for the camping program. You must search well; it cannot be just when he was at the institute, because if he paid...[changes thought] if the house was sold for 17,000. This is a fact, because he himself said it -- for 25,000. He gave the money -- he admitted this; there were no such family savings. He provided the money. At this time, he was not yet at the institute. He must have obtained these funds somewhere else.

Undoubtedly, he handled funds in camping. When camping began, it was decided to finance it with the funds of the festival, the 6th...[Castro corrects himself] the 11th festival. The festival's income covered expenses and there was approximately 50 million [currency not specified] left over that was turned over to the state. I ordered these funds deposited in the National Bank, and that the financial organizations handle those funds. I proposed they be used for social development programs. After covering camping activities, the funds were also used to finance the youth technical brigades, stimulating those peoples, for the promoters; the funds were used for those purposes. These were state funds, funds that the youth had placed in the hands of the state. The youths had collected these funds from the festival.

Then we proposed that the camping programs be financed with the funds from the festival. There was approximately 50 million [currency not specified]. More funds were allotted then. The campaign began in 1981, but there were not very many expenses. On 26 May 1982, a letter was sent to Comrade Osvaldo Reyes, director of the National Bank, which reads: Dear Comrade: It has been authorized to transfer funds in the amount of 6 million pesos from the balance left in the account of the 11th Youth and Students Festival to the account of the UJC. These financial resources will be used to cover the expenses of camping activities.

That took place in 1982. In 1983, another allocation was made as follows: It has been authorized to transfer funds in the amount of 10 million pesos from the balance left in the account of the 11th Youth and Students Festival to the following accounts: 9 million pesos to account No. 90611968 of the Special Camping Unit [Unidad Especial de Campismo]. In other words, there was a special unit; it was not an enterprise, it was a plan. Then, 1 million pesos to account No 266132 of the National Committee of the UJC to increase its salaries fund, and allot them exclusively for the purpose of paying the salaries of the staff working in camping activities. Those salaries must be paid in cash. There was one account for expenses and for purchase orders, and another one for cash operations. Apparently, he studied that mechanism.

Then, he adds: I am hereby notifying you of the transfer of funds. These were notes sent by the director of the budget to the National Bank. Then in the fall of 1984, another 6 million was allotted: This is to authorize the direct transfer to account [number indistinct] of the National Camping Team [Equipo Nacional de Campismo] the 6 million authorized by the State Finance Committee to transfer to the UJC, from the account of the 11th Youth and Students Festival. This is for your information and in order for you to take action.

In other words, every year he systematically transferred funds in the amount that was needed for camping activities. Now then, in the end he had two accounts in the National Bank, one in dollars and another one in pesos. How did he start the account in dollars? We already explained that camping activities required a certain amount in dollars for necessary expenses, a minimum of expenses, but they had to be made. They even had to purchase a submarine camera, diving equipment, fins, oxygen tanks, motors of various types, and, above all, materials. There is an inevitable amount of material that had to be purchased.

Resources were assigned, resources were assigned to camping activities. He was the person responsible for those resources. For example, on 7 February 1984, the camping program was assigned \$375,000. The bank deposited that amount in account No RE295 at the disposal of Luis Orlando Dominguez, the man who was in charge of signing checks on that account. In that way he had an account in dollars. That is the origin. There was not even the slightest suspicion. Nobody could imagine that. It is difficult to imagine that. We comrades have been living for such a long time, for so many years, trusting people. And trusting people, many things have been carried out through the years. You think: We do not belong to a gang. This is a party, a movement, a revolution.

This is so to the extent that I will tell you an anecdote. On that Saturday to which I have referred -- we agreed that it was Saturday the 13th -- I was analyzing all of this, and there came a moment when Pepin said to me, told me: It really hurts a lot to have to say this, it hurts a lot, but I have come to believe that this comrade has stolen. He said this on Saturday. It was hard for him to conceive this, but it went through his mind. It went through my mind as well. However, I was waiting. I sensed all of this about the extra money they had paid, the difference between the house they sold and the one they bought and all of that. However, the comrades believed that it was practically an offense to suspect a theft.

That was the origin of the endorsement account. However, at the National Bank, there everything that was taken out and entered was seen -- so much to buy such and such a thing, so much for this, so much for that. The account was in the bank. However, the account in pesos went up on 8 May -- the account in pesos from which he got the funds later -- 8 May 1985. He transferred funds from the State Committee for Finance, funds for the 11th festival, to camping. And then, how did he distribute those funds there? We call attention to the notification matter, the order of transferral from the account of the 11th festival of 500,000 pesos to account No 9061 of 9-68 of the Special Camping Unit.

I would say that account was to pay or make purchases or service orders. One has to withdraw to pay other things, salaries -- cash must be used. And it established an endorsement, an account of 500,000 pesos was created; 500,000 pesos; account No 258138300 was created at the disposal of Luis Orlando Dominguez Nunez and Jose Antonio Maiquez Diaz. They put two signatures. And they were putting... [changes thought] There was a trustworthy man, which they had. On 8 May, 8 May 1985, the spree of purchasing homes here and there through arrangements was about to begin, was being unleashed because he had an account there. He was sheltering himself in the routine that that kind of transferral to accounts at his disposal was done. He now had two accounts. This was the origin. Then what did he do?

When he was appointed to the institute, he transferred the account in dollars at the National Bank to the International Financial Bank. This is one of the organizations that has funds. For financial reasons they have funds. He took into account the interest that the money deposited there produces. That is nothing extraordinary. However, what really happened is that when he was appointed over there at the institute, he went to the youth and made up the story that because camping was no longer a planned enterprise, the budget allotment stopped, and he closed the account. That is what he reported. However, he did not really close any account. He transferred 30-odd-thousand dollars -- I believe there was \$32,000 left in there -- to another similar account at the Financial Bank.

He was transferred to another job. He left the account in pesos in the National Bank, with the two signatures. The one he discussed with the camping. He did not close anything. He was already leaning in that direction. Then, when he arrived over there, one of the first things he did was to transfer \$200,000 from Cubana [de Aviacion], as president of Cubana, to that account, as well as various revenues of Aerocaribe, which works, operates, and carries out its operations in dollars -- who knows if the state itself, because it is not Cubana de Aviacion -- and to bring cattle or some things, one has to pay for fuel and things; it is established that its services are paid for in dollars at Aerocaribe. It is an institution that receives income in dollars. And he transferred Cubana de Aviacion funds to that account he had opened, and he transferred Aerocaribe funds. That is the origin of his amassment of large amounts of dollars and pesos, operating as if normal.

Naturally, I have to talk to you about topics, also. I want to offer as many elements of judgment as possible. Many of you might ask: And what did he say? He recounted ideas, improper prerogatives, and ran up against other elements denoting privilege; a degree of prerogative and corruption is there. Allegedly. He made plans that a camping house would be made for the Cubana de Aviacion people, and other things. He used the thing about repairing the airport, all those things to camouflage what he was doing.

So he said, according to what his comrades reported, or what he explained: Upon reflecting how much, why, and how his process of corruption began, Luis Orlando said that since childhood he felt a terrible inferiority complex and an obsession to excel and be somebody due to a torrent of feelings, frustration, and traumas that years later took shape in an internal satisfaction, intense satisfaction -- it says internal here -- personal satisfaction in excelling and making his presence felt. With this characteristic, he said he waited for his election as a member of the Central Committee as a natural development, and his subsequent appointment to the State Council reinforced the belief that he was a great man. He came to sickly believe that he deserved everything, mixed with elements of vanity and arrogance.

These ideas, and to the extent that he accumulated certain power, prompted the mistakes in this process of decomposition in his last years with the UJC.

The report notes that after that he was unduly using assigned resources to repair his house; he was using the protocol house; and he was using cars and drivers. The report states that to the extent that his power increased, he continued with these intentions. This situation climaxed after he began working the IACC [Cuban Civil Aeronautics Institute] which allowed him to repair the Celimar house and to begin making purchases at the diplo-store, all of this with state funds.

The investigation is already very complete, and it has been placed at the disposal of the courts. Of course, the government has proceeded to seize everything he had. We will confiscate everything he has that is ill-gotten. With due consideration and respect for the people... [changes thought] I already said it hurts me because in part, well, I have to even blame the girl for whom he opened an account, or the oldest girl... [changes thought] I say that this was corruption. It was not only a case of embezzlement, but of corruption.

Well, I imagine that the family is involved in all this drama, at this moment. However, it was a true process of bad education. It involved bad habits and expenses. It was a negative influence on the relatives. Although there was a certain childish behavior in things he did and a certain absurdity because he thought he could hide all this, there was also a truly cynical attitude in this matter. But, we will not be the judges.

With all the facts and evidence, it will be up to the judges to decide and try this case.

There are losses that must be paid with punishment. Whatever was not recovered will have to be paid this way. Between one thing and the other, accounts can be recovered, many dollars were recovered, materials, cars, and all the other things he distributed incorrectly will be recovered.

I think the courts will demand all the items that were not recovered. Counting pesos and dollars, all of this adds up to approximately half a million [currency not specified]. All of this occurred in a very brief period of time. It was something that got completely out of hand.

We have been reading opinion polls about this, what the people have to say. There have been all kinds of comments. Some of them are accurate and correct; others are out of focus and confusing.

This is very important, and I wanted to invite the comrades of the party and the UJC, not only to give them this unpleasant explanation but also so we can analyze all this very calmly and see how we can approach this problem.

We are doing this to strengthen the revolution and not to give weapons to the counterrevolution, the enemies of the revolution. We are doing this so we will know how to guide the UJC and party members. We must do this. This setback must be turned into a victory.

There were many different opinions. Some said Dominguez and others were prompted, especially in the aviation field. Various workers of the organization where Landi worked were promoted. Some of them became IACC cadres -- promoted over qualified and very experienced workers -- whom he favored with trips abroad and the distribution and sale of state-owned vehicles.

One of those rather frequent instances of vice show up here, when he names someone and transfers him [not further identified] from one place to another. He said: I agreed to appoint General Gomez of DAAAFAR [Antiaircraft Defense and Revolutionary Air Force], who has no commitment with anyone, that is my opinion.

He [not further identified] said that he did not like an expression that Luis Orlando used in a meeting with workers.

Luis Orlando said: Using my powers, I approved this personnel list. We will see what happens later on.

Luis Orlando was a person who attracted people. It is a shame what happened. It is strange how a cadre such as Luis Orlando can ruin himself. It is true that power corrupts. Luis Orlando, when he was not a UJC leader, was known for his humbleness.

It makes one ponder when one sees a new cadre such as Luis Orlando, who supposedly represents the promise of the future, turning corrupt. Luis Orlando shows the serious need for the rectification drive. Perhaps his problem has to do with the Del Pino case. They probably came to an agreement to begin investigating those who may have had access to planes and other things.

Seldom have things been said as clearly as in the case of Luis Orlando. I believe they are now being clearly and totally said. It is seen that the cut of the blade has been set very low, because Luis Orlando was left in very good standing. [crowd laughs] The events concerning Luis Orlando have given me the chills. Do we not realize that we are being given an opportunity to rectify and set examples? Many believe that everything will continue to be the same. He said he imagined it, that he could sense deep inside there was something wrong. He commented he had already been given an opportunity. It is the first time the destitution of a leader for such reasons has been made public. This is a beginning. Now it remains to be seen if it will be done as in the USSR, where people are dismissed, punished, and their property confiscated. Look how they broke this guy's legs. Now we will see where they place him, lest he step up. Our revolution, in its process to rectify errors, continues to take pertinent steps. It is an achievement that the press, in clear and concise ways, will begin to explain why top-level leaders are replaced. This will inform people about how measures are taken regarding errors at any level. It is necessary that this style continue. Despite being removed from office, Luis Orlando must be put on trial, because if he had been a simple worker, he would have been put on trial. Does not a leader who carries out these actions have more responsibility than a simple worker? If we are really rectifying, the rectification must be at all levels, because the people are asking that it be that way. They are tired of nothing happening at these levels.

Feelings surged in me when I learned the news. He is a comrade with a revolutionary history and tremendous ability. In addition to this, he represented our Central Committee. He surely had been failing for a long time, but what happened is that he surrounded himself with adulators who did not help him. It is incredible to see how power ruins many people. This shows the process of rectification must begin at the top, because many leaders took care of themselves. They said they would not swim against the tide, and now they are greater rectifiers than anybody else. Now they even try to crush those who criticize the solutions they want to apply to problems in the name of rectification.

He surrounded himself with all the cadres he brought from the youth, and placed them in key positions, sometimes in violation of the cadres policy. He also did not even master the activity. This shows that now we are really rectifying toughly and without gloves.

Rectification has really arrived now. It is a shame: a comrade with such a high revolutionary history in the UJC, and now in these conditions.

Now everything will remain the same. They will send him as ambassador somewhere else. One of the workers who rode on the bus was saying: Now we must know where Luis Orlando will be put to work so he will pay for all the bad things he did. This case should be published in the internal opinion of the Communist Party of Cuba [PCC] which will surely analyze the violations to the cadres policy that he promoted.

The president was committing grave mistakes in saying there was a surplus of comrades in the aeronautics field. They already had experience in aviation work. However, he brought in a large amount of comrades from popular camping and the youth to work here, and made them aviation leaders without their knowing us. Luis Orlando accommodated the friends that he brought from camping to work in aviation and gave them all cars, even if they were simple drivers. He made them leaders without their knowing anything about aviation. This situation was to be expected because the comrade president was carrying out a method of administrative repression, by which he conducted controls through videos, which most of the workers disliked.

A last one here says: The camera that followed workers inside and outside of the enterprise did not film the bad things he did, nor the cars he assigned, even to comrades who already had cars. Information has been collected of various kinds; some of it repetitious. It is not necessary to see where they were placed, or whether he will go as ambassador. The others are to teach a lesson. They have been taken for this. Some are misguided. I see this is very important; circumstances in which we will know how to guide the people, the activists, the workers; not give even the smallest opening to the counterrevolution.

We must not give the enemies of the revolution the slightest chance to try and mislead the people. The revolution is not capable of using anyone to give others a lesson. This is not the way the revolution does things. This is something that cannot be tolerated. The revolution does not commit injustices; however, incidents of this nature cannot be tolerated by the revolution.

You saw how all this was handled, how carefully each detail was handled. This is not an issue of demagoguery; this is not making a cultural revolution or trying to harass the people. The problem is confusing some people with others. The enemy can try and sow unrest among the cadres -- the party's cadres, the party's leadership, the country's leadership. The enemy can try to present this as a rule, and this is why it becomes important for us to face the problem and issue directions. Of course, this also proves there is a need to increase surveillance and control measures.

However, I do have an opinion regarding this. I feel the key to the proper use of the resources is honesty among the cadres. This is something that is irreplaceable. There are many cadres who are handling money, many cadres at various levels. Measures, mechanisms, anything you may want can be taken. However, if there is no honesty among the cadres chosen to fulfill specific duties, then we cannot be sure of anything. We have to trust in man. What would become of us if we had no trust. This incident will not kill the trust that we have in man, nor will it kill our trust in our comrades and youth.

For this reason, we wanted here the youth, the students, the representatives of the workers, the peasants. This will not diminish our trust in the least. This is what the enemy would like to occur regarding these types of problems. We particularly trust youth fully and completely. I know they have been grieved because of this, that they feel they have been hurt and dishonored, like a family member being disgraced.

But I want to take advantage of those who, when all is said and done, are exemplary. I do not in the least regret what I did -- that is to say, to look for young comrades, as I do every year, in the ranks of the youth. I feel deep respect for them. To work with them is not only profitable, but a pleasure. I will not get confused because such an individual left the country, broke down, and became soft, demoralized, and corrupt. I always keep in mind the quality of our youth and our congress. I trust them very much and have great hopes for them.

We shake ourselves free from our problems and press forward. We draw our lessons. I tell this very same thing to all the party militants, all the workers. We are aware of the harm done by this, yet it is relative. It is logical. Everybody is being asked for more sacrifices and effort. Everybody is being asked to be more austere, even dealing with single cents. We have been checking all those swollen salaries. There are entire manufacturing plants -- I could mention some of them by name -- where revenues have been affected as the result of all this lack of control, obsolete standards, and weaknesses. We could mention an example, perhaps our shipyards, where salaries have been reduced from 248 pesos to 197 pesos. The workers have given a fair, revolutionary response. There are other manufacturing plants where the salaries were even higher. The workers response was excellent everywhere.

Every demonstration of privilege and improper use of our resources must of necessity irritate and anger us tremendously. We must keep struggling until we eradicate the last vestiges of such practices and customs. We will do it calmly and fairly, with well-trained people. Many measures are being taken. I recall one of the latest. When I spoke to INTUR, I told them to suspend -- this happened many months ago -- all kinds of receptions, buffets, lunches, cocktails, and all that. There was a mechanism that stimulated enterprises to sell a lot. This is absurd in a socialist regime, that we should measure the efficiency of the enterprises according to their volume of sales. They would earn much and many awards by saturating the market with raw materials. The efficiency of any other enterprise would be measured like this. It should be measured according to the way in which they distribute merchandise and the way in which such enterprises avoid having unproductive inventories. Measuring efficiency as if we had a consumer society! This is one of the points we discussed at the Politburo, measuring the efficiency of the enterprises by their volume of sales, rather than by the quality of their service and other things.

We wage this struggle for workers who gave an excellent response. I have said if we are to progress, it is necessary to wipe away all those bad habits. We cannot progress until we eradicate those habits, particularly those of the lifestyle. I told the INTUR people about this lifestyle. There have been too many receptions. I have to give receptions, a number of them every year. I do not usually taste anything at the receptions. In fact, I do not even have time for it. In addition, we have to have some receptions. But this does not carry any special merit. Yet we have to offer some receptions; we cannot avoid it. Nevertheless, we had been giving receptions every day, in style and without any definite purpose. [Applause]

That practice should be discontinued. There were receptions for every meeting, and the state covered the expenses. Union, associations, even journalists gave receptions. I once read a protest in a newspaper, asking why this and that, and noting how much had been charged. I said it was wrong having such expenses. Frankly, I said so, and all such expenses were suspended. I mentioned it to our comrade in INTUR. Where are these receptions held now? The State Assistance Committee [Comite Estatal de Colaboracion] has a restaurant located in La Lisa, where mandatory receptions are held.

There are some organizations and delegations that must be given a reception. There are also a few in Cubanacan. This has created a lifestyle of spending. We have been struggling against that. It has been discussed within the party, in the defense committees, and everywhere. It brings expenses [word indistinct] especially superfluous expenses. We must fight against that lifestyle. We can see this in many places. However, in a socialist revolution, in a revolution based on principles, on moral values, on equal opportunities for all -- I am not talking about equalitarianism; we are not talking about that -- any indication of privileges is twice, three times more irritating, and harms the revolution. We must first realize that it hurts the revolution. No one has a right to act against the revolution's authority and prestige. To think about someone doing things to the revolution makes one indignant. Style is important; people observe.

We have a comrade [words indistinct]. I will tell you who it is: Our comrade in INTUR, a member of our youth, where there are problems and bad habits. We told him how he should conduct himself, how he should act. His comrades live modestly; people are observing him. They will know if he moves to a new address, if he receives a package. His greatest merit -- and I know that our comrade is a great person -- is that he is still there and has continued living as he did when he arrived here in the capital. I know that he sits down at the same table with the workers. I have heard commentaries, good and bad, and I have been told that he does not pretend; in other words, he actually eats what he is served and does not pretend that he eats and then goes upstairs with a bagful of goods. I believe that is a style that people appreciate and respect. There is a lot to do. Styles and attitudes are established, particularly these days when money has become almost everything and people start becoming alienated.

I must say that we have been rectifying many things, silently. Some things are not correct -- not individually, but within entire groups -- it is not right to have this or that. I have stressed these things, and we have made progress. When we began the process of rectification, we said: We are not going to begin a cultural revolution here. It would be easy to use demagoguery, taking advantage of feelings and situations affecting the masses, as happens in other places. That is not the revolution's style. Ours is a different style: There is more consciousness, serenity, confidence, firmness, steadiness; there is no lurch or extremism, yet his is far-reaching. We have far-reaching objectives. As I spoke at the meeting of the party's provincial committee, I was thinking about these things.

I have spent some time on them, but there is still a pending subject -- not agreeable at all, but one that we all have on our minds -- and it has to do with treason. The most notorious treason has been that of this man to whom we had granted so many honors and for whom we had shown so much consideration for years, and who has gone to the enemy's ranks. We are referring to the case of Rafael Del Pino. I also want to analyze this matter. Although I will not analyze it extensively, there are some essential points that I should mention. I know that people are asking themselves how this could happen; others wonder if this man had the right to travel by plane with his family. How could this happen? Of course, no one here has a right to go on a plane ride with his family. Neither he nor any other ranking officer nor any soldier has the right to ride in a plane with their families. Other violations made it possible for him to use the plane, practically to steal the plane.

Regarding this incident, MINFAR [Ministry of the Revolutionary Armed Forces] created a commission, which was composed of the main directors, the most qualified and competent comrades, to conduct a thorough investigation on this case, and analyze it to determine all the factors, that in one way or another, contributed to this situation. I believe that these two topics -- the previous one, and this one -- are interrelated. They both follow the same pattern, the same path: A corrupt individual and a traitor are composed of the same raw material.

I am going to use some paragraphs from that report. Otherwise, I would be wasting resources because I would not be using what they are bringing me here. [Castro sips from a cup] My voice is fine, I believe. It failed the other day at the committee meeting, at the end of it.

How did the man get the airplane?

On 13 May 1987, he stated that because he could not fly and had been retired, he wanted to be trained in civil aviation -- that is, low velocity flights. Many pilots, when they can no longer fly combat planes work in transport services in the civil aviation sector. This was his position.

On that day, he talked with Ricardo Varona, the instructor pilot of Aero Caribbean, and asked him for help in learning to fly low velocity planes because he could not continue flying combat planes.

The traitor worked hard to learn to fly. He practiced radio conversation and piloting in low-velocity airplanes. He was concerned with security measures that could block his attempt to secure a plane to achieve his purposes. He did not know these planes very well.

On 15 May 1987, the traitor established contact with Omelio A. Perez Diaz, president of Aero Caribbean, to discuss his training plans. Perez Diaz authorized him to receive the training and told him to find an experienced pilot to receive on-ground training. The traitor insisted that he be trained in actual flight as well. This was accepted.

On the 16th, at 1030, the Cessna 402 Cu-118 was taken to the Yuriy Gagarin Military Industrial Plant in Ciudad Libertad, for painting, as requested by Aero Caribbean. The traitor later went to the plant with Ricardo Varona to speak with the pilot who would be helping him. When he saw this plane, he told the flight technician that he was impressed with its equipment. He asked the technician to allow him to go inside the plane because he had permission from the president of Aero Caribbean.

He also showed interest in the Cessna manual and scanned it.

From 18 May on, the traitor went daily to see the Cessna and showed interest in the paint job. He had flown there from Boyeros. He went every day. He was very interested in learning how to pilot it. On the 19th, he was trained on how to land and how to take-off in an Aero Caribbean (Piper-Navajo) airplane and flew to Varadero. That day he arrived at Boyeros' ramp No. 2 and told the Navajo flight technician that he wanted all the padlocks that were being used on the plane's doors. He said that he wanted to fix the original locks and would do this through a person he knew. The answer was that the reason for this was that the locks are very fragile. [sentence as heard] Because of this the traitor insisted no more.

He is looking for a plane. He is learning to pilot it. He even said that the plane's padlocks were old, that they should be changed.

On the 25th, he took the Cessna manual and photocopied it. That same day he talked at the Aeroclub of SEPMI [Society for Patriotic-Military Education] in San Nicolas de Bari with Lt Col (Horacio Levi Carrasquedo), chief of the Border Guard's flights section, about the capabilities and size of that unit's planes.

On 26 May, 2 days before [as heard], between 0900 and 1000, the traitor went up to the control tower of Ciudad Libertad and asked which communication systems were functioning and about the communication system of the central command. He was given complete up-to-date information.

He also told the control tower operator to authorize the crew of the Cessna CU-118 for test-taxiing. At 0700... [corrects himself] at 1730 he entered the area where the Cessna was parked with his wife, youngest daughter, and his sons Ramses and Papito. He was seen near the plane, and Ramses taking pictures of it.

It is possible that they had plans to leave that day, making it appear that their presence there was natural. There was a violation in this, we discussed this later. On the 27th, at 0900, he did on-ground training in the CU-118. Later, he gave to the flight technician, Roberto Prieto, a small padlock so that the plane's paint could not be damaged. He was meticulous with details. He kept a spare key.

On 28 May -- I have some things here on what he did that day -- he picked up his wife Laura Diego Suarez, his little daughter, and his son Rafael del Pino Lopez at his residence near Col: near the DAAFAR. This happened sometime between 1225 and 1255. They returned to the FAR staff area and went to the runway.

A few minutes later, the CU-118 established contact with the tower. After the tower identified itself, the plane's pilot identified himself as Brigadier General del Pino. This information was verified by the operator through ZK, the TZK [not further identified].

The traitor started the plane's motor. When the plane was taxiing to the runway, the control tower operator asked the traitor what he was planning to do. He responded that after taxiing he was going to head for Boyeros. At 1310, the control tower operator told the pilot at the air terminal that the CU-118 did not have authorization from the National Flights Control Center to take off yet.

The pilot told the control tower operator to let him know the moment the CU-118 could take off. The traitor took off at 1316 without any authorization from the control tower. The control tower operator spoke to the pilot and explained that he had taken off without authorization.

Between 0325 and 0330 hours, the Cessna CUT [as heard] 118 contacted the tower and reported that it was 2,000 feet north of the airport. The tower operator [Torrero] the tower operator acknowledged receipt of the message. The CUT 118 apparently did not hear. The tower operator then tried to use a Jack 40 [as heard], which was approaching the airport, to bridge the communications gap with the plane in which the traitor was traveling, whereupon the traitor reported his alleged position. The last contact with the Cessna was established at 0332 through this link. At 0341, the tower operator reported that the National Flight Control Center had lost all communication with the plane. Up to that time, no one suspected anything. They had all been tricked.

According to the control command post recordings analyzed at the flight control center, at 1403 the center reported to the DAAFAR [Antiaircraft Defense and Revolutionary Air Force] central command post on the status of the Cessna CUT 118, explaining that it was having communications problems, so that it would not be mistaken for an unidentified object. After receiving the information from the National Flight Control Center, the DAAFAR central command post reported the situation to DAAFAR Chief of Staff Colonel (Gil Edil Hernandez Capote) at 1410. The central command post reported that it was searching for the plane with DAAFAR radio devices and visual observation points. Border guard troops were alerted and the possibility of a landing at other airports was checked. Then the rescue and salvage brigade in San Antonio de los Baños was condemned [corrects himself]...was ordered into action. They believed that the plane was in trouble and were searching for it, to help it. The search was intensified later on through other devices until 1710, when the National Flight Control Center received a message from the Miami Flight Control Center notifying it that the Cessna CUT 118 had landed at the air-naval base at Boca Chica with four live people on board.

Well, these are the facts. Let's look now at the causes and conditions that favored the betrayal according to the exhaustive, critical analysis prepared by the MINFAR [Ministry of the Revolutionary Armed Forces] commission. Among the main causes and conditions that favored the betrayal, some are related to the traitor himself and his behavior, and others are a result of violations of procedures in the units involved. There was an inadequate response by the deputy chief of the political organization and the party base organization in which the traitor was a military member. Del Pino has sometimes displayed an indifferent, if not openly arrogant, attitude regarding his party duties, and his role as chief in his everyday political, military, and family activities. Concerning political and leadership factors, the prevailing attitude was an appreciation of Del Pino's revolutionary background, and the resulting certainty of his loyalty to the revolution. The control organizations were not unaware of this. Therefore, the traitor used his hierarchy, position, and everyday actions to prepare and assure the best conditions to carry out his action and secure sufficient time after taking off.

We must add to this the cleverness with which he studied and carried out the actions and the relaxing of discipline and the failure to enforce orders, among them No 51 of 21 July 1986 issued by the acting minister, chief of the DAAFAR troops [title as heard] on organizing the use of Libertad Airport, and Order No 8 of 26 February 1985 issued by the director of the Yuri Gagarin Military Industrial Enterprise -- a base for repairing airplanes -- which established operational regulations and procedures and the special security regime. Del Pino's rank and prestige caused confusion, and permitted a series of violations. The director of the EMI [Industrial Installations Enterprise] Military Unit 94632 did not feel that the Cessna CUT 400 [corrects himself] Cessna 402 2 CUT 118 [as heard] would have to adhere to physical safety regulations and the special security regime because it belonged to the Aero Caribia Enterprise. Therefore, he is primarily responsible for the violations that occurred in this unit. Moreover, he did not indicate the limitations on the quantity of fuel that the plane was entitled to receive, according to the provisions of the technical charts, which favored the intentions of the traitor Del Pino Diaz to obtain the quantity of fuel that he actually obtained.

The chief of the EMI flight test station violated Article 40 of Law 8 because he did not place the batteries under lock and key, after the Cessna crew had left.

Likewise, he allowed this crew access to this station without having received the list of those authorized to enter. The Air Traffic Control chief of military unit 1091 learned via the control tower of military unit 9732 that traitor Del Pino Diaz had issued orders forbidding the take-off of the CU-118 until he gave the order, otherwise the plane would have left. [sentence as heard] He ordered the plane to stay -- he gave the order. He barred it from leaving until he ordered so -- authority taken by the traitor that was initially accepted by this official, subordinating himself to Del Pino's decision, despite the flight's authorization by the National Flight Control Center. This brought about the mistaken suspension [of the flight], resulting in the annoyance of the civilian crew which then left the base, indirectly helping Del Pino, who later was able to carry out his actions.

The air traffic controller, a junior officer, obeyed the order of traitor Del Pino Diaz -- referring to the non-authorization of the Cessna CU-118 to Boyeros -- without reporting to the National Flight Control Center and the flight control chief, who are the ones who are authorized to give or relay this order to their relief.

The junior air traffic controller, when taking over, accepted this order without question. When the traitor left in the Cessna plane, he allowed the traitor to start the engine, load the baggage and his relatives, start moving to the beginning of the runway, and later to take off without filing a flight plan or reporting to the CNT [National Flight Control Center] and the traffic controller what was happening.

The entry and movement of persons accompanying a high-ranking officer, without passes, or submitting to other movement restrictions inside the DAAFAR General Staff and the Yuri Gagarin Military Industrial Enterprise, the presence of baggage on a runway that is mainly used to test repaired planes, does not seem out of the ordinary to security and control personnel due to previous violations.

Of course, a whole series of events that he has studied, analyzed; they are confusing; they fool and surprise people. But all these things are in rules and studied in depth, like everything in the Armed Forces.

Oh, the other point is the report which comprehensively reviews the causes of the treason.

It states: Rafael del Pino Diaz comes from a small bourgeois family from Pinar del Rio. The theater was inherited from his grandfather Mario del Pino Sandril, who used to be a Cuban consul in Italy and the United States.

The analysis of his career reveals that he was incapable, from the ideological point of view, of overcoming the limitations stemming from his social origin. You can see that this is not unfounded.

His scarce ideological development is seen throughout his military and political career. Since the first years of the revolution, he showed his indifference for the state of his political relations. He finally established them [the relations] with three elements that are active enemies of the revolution. This conduct was systematically repeated when, as member of the personnel admissions commission of pilots, he regularly did not take into account the political circumstances of applicants. He basically took into consideration their physical capacities.

Well, I will stop now. There are some serious, serious aspects that have been revealed through all the investigations regarding his moral conduct and emotional instability disclosed in the report, which I prefer not to mention. I say there are serious aspects regarding his moral conduct and emotional instability, which I prefer not to mention because it is not in good taste to talk about those things and because they involve other persons.

His participation in political and party duties was limited because he considered them to be of a secondary nature after his technical, professional activities. He repeated this kind of conduct because his attendance at party meetings and political study circles was poor. He showed lack of political responsibility in several tasks that were assigned to him. He disregarded all the obligations that did not satisfy his interests as a pilot, which led him to obtain few results as a leader.

He was very efficient and good as a pilot, but very inefficient as a cadre and leader, despite his ambitions.

It was later known that he showed a lack of trust in socialism, internationalism, and the people's revolutionary struggle when he said that for countries like Angola, Nicaragua, and Vietnam, facing underdevelopment and enemy aggression, peace is a step backwards because imperialism, with its economic resources and consumer goods, corrupts them until the revolutionary process disintegrates. He also said internationalism generates internal economic problems.

After his marriage in 1984 to Laura Diego Suarez, his third wife, his emotional dependency, reflected in consecutive divorces and marriages, increased because of the 24-year difference between them and because of the unlimited material ambitions of this woman, who had few ideological convictions. This factor seemed to have been very influential. The pressures she exerted on him led him to sell personal belongings to satisfy her desires and to purchase a more comfortable home according to the social status he believed he had.

It was already his third marriage. Prior to this, he had already had two homes. We could say they were two good homes. It was his third marriage, and a one-room apartment was assigned to him. Later his daughter was born. In spite of everything, you can see he was well-treated. He told the ministry he did not have enough, because he now had a daughter. The ministry decided to give him a better two-room apartment. He was well treated. He had problems; he could not take on that responsibility. He had to face flight restrictions. He received treatment. On the same day he left, he visited the ministry in the morning and was told then, in the minister's office, that a decision had been made to improve his apartment on that same day. Well, that was one of the problems. He needed money because he had many expenses. His new wife, according to sources, openly said that whoever had a young wife must please her in everything. We found out about this from trustworthy sources. So that was the mentality.

The traitor's behavior towards his wife Laura Diego did not change much even though in 1985 she was dismissed from the UJC because of attitude problems in the Aero Caribbean company's rank and file organization, where she worked. On 5 May 1986 -- I think there is more information about this here... [shuffles papers] On 5 May 1986, he was replaced as substitute for the chief of DAAFAR's aeronautical safety department and then appointed joint chief of DAAFAR's aviation advisory department.

This appointment gave him no real authority over aviation. Also, since February 1986, he began to face flight restrictions and other limitations because of health problems. These health problems worsened when an eye infection appeared. Because of these problems, DAAFAR decided to take him off fighter planes in 1987. Ten doctors participated in this. These are very meticulous tests. The traitor rejected this decision and said that in a medical checkup in the Soviet Union in 1986, it was proven he could participate in this type of flying. He personally disliked the appointment of the new DAAFAR chief, Brigadier General Ruben Martinez Puente. His relationship with Martinez Puente was not good, and he did not think Martinez Puente had earned or was competent for the job. That was his attitude toward a man with all the proper prerequisites to carry out that duty. His ambition was to get ahead.

The DAAFAR special military council on flight security met in February 1986. On this occasion Rafael Del Pino, in his role as acting DAAFAR chief for flight security, gave a report on causes and conditions of accidents that had occurred. The analysis pointed to the poor quality of the accident prevention work developed for aviation, and he took a defensive position during his questioning.

In the context of the loss of his high-ranking positions in the Air Force, one particularly important item is his behavior noted in the March 1986 party records, in which it is noted he had spoken in derogatory terms about pilots and their flying ability. Because of its coarse and vulgar nature, his invective was indignantly and energetically rejected by the party members in attendance. His remarks were strongly opposed, and Colonel Henry Perez said the speech was that of a person unqualified to make such statements because he was out of touch with the units' problems. It may also be recalled in this regard that during that same year he distanced himself from the duties of an FAR officer, and he attended neither military nor political activities incumbent upon his rank.

Thus the traitor consolidated a situation where he lost real authority; he got into a conflict with a mass of chiefs and rising officers who questioned his opinions. This, due to the personal characteristics already analyzed, was unacceptable to him; together with this there was the frustration of his sick obsession to fly. All these things add up to wanting to fly and not being able to because of his physical condition. This is reflected in a sense of anguish in his notes of 17 April where he feels he has been turned into a museum piece. There are more details that he wrote, a sort of book, where he wrote what he thought, a certain vanity. I think someone here around has some papers of mine, in case I needed... [does not finish sentence] Someone told me they would have some additional papers here that I had in reserve in case it comes to my mind. I will look for them if they are around here... [pause] They show this domineering individual. [pause] The papers do not want to appear here. [pause] they must have been left behind; I have had to use so many papers today. Well, they are not essential; they are merely illustrations, but not essential.

During this period a change took place in the treatment from which the traitor had historically been granted. This change did not go so far as ill-treatment, but it did represent a more open recognition of his limitations and errors. It was sought to find him a position more in keeping with his limited capabilities and which would at the same time recognize his historical merits; more was demanded of him.

He was not mistreated -- I am citing the example -- but it was being established, and thins were being demanded of him. An attempt was being made to place him where he ought to be placed. This whole process cannot be assimilated by someone with the traitor's mentality.

An item that reveals the accelerated process of decomposition taking place inside him in 1986 is the indemnity claim he made for the nationalization by the revolution in 1964 of the Milanese Theater, at one time owned by his family. This was not known by anyone, [laughs] but here are the documents gathered. This claim was filed at the Civil and Administrative Section of the Provincial Court of Popular Power in Havana by virtue of the power of attorney bestowed on his lawyer, a lady lawyer, and signed...given to his lawyer on 26 February 1987. The claim is filed against the socialist state for reimbursement for that property, which had been nationalized in '64. He claimed, I believe, 22,000 pesos, because I believe his share was nine-sixteenths of a total of 40,000 pesos. The interesting thing is that here...here appears, you know how these legal documents are and all that... [reads] The principal is lawfully authorized to institute the present administrative suit, etc, etc, etc. Point One by resolution dated 9 June 1964, decreed by the vice-president of the Cuban Institute of Cinematographic Art and Industry that the Milanese Theater, located on such and such street, etc... second, third, fourth: Interesting that we have here the presence of workers who are fully identified with the revolution. In the case of my client, he is a hero of Playa Giron and a high-ranking military officer of our glorious Revolutionary Armed Forces. Therefore, the situation is inconceivable: Throughout all these years the revolution has been so generous and has compensated even its class enemies. How then, within the framework of socialist law, can we conceive of a situation in which the State Committee of Finance fails to pay the legitimate heirs of Mario Del Pino Sandrino, owner of one-half of the Milanese Theater in Pinar el Rio?

And the title of Hero of Giron was used. Of course, he had his day in court, following normal procedures. This was around the end of February, March, somewhere around there. He was looking for money, at this point, almost at any price.

This is an element that reveals, as I already said, a lot about people. This is an incongruous position coming from him because he had already taken another position in view of attempts made before by other members of his family in the same regard. It is logical and true that the Revolution... [changes thought] The Revolution helped to compensate many people and is still helping. As a rule it has done so, the relatives... [changes thought] But none of us can imagine a military officer, a combatant, a revolutionary, at this stage of the game demanding reimbursement for the theater that belonged to his father. It is ridiculous. But there was a reason. Politically and ideologically spheres, he felt a separation from and mistrust toward the revolution and its ability to resolve the problems brought about by its development.

These elements, analyzed, are mentioned in other documents that I did not bring with me, because I did not want to take up too much time. They are vain elements; in fact, this man used the materials of a comrade pilot, who completed a special mission in Angola; he virtually seized someone else's accounts and wrote a book. He actually published two books. Those books did not contradict the revolution; those books only praised everything in it. He is contradicting his own books now.

Questioning of Orestes Perez Gil indicated that on 12 or 13 May, Rames, the homosexual son of the traitor, of whom Orestes Prez Gil was a close friend, shared his treason plans with Perez. It is known, it is estimated that 1 month before that, that he was already developing the plot and that his father was disappointed with the country's situation and could not bear the situation any longer; that his father was uncontrollably inventing plans to become a personality in the United States thanks to his background and the information he knows.

The traitor would take with him the documents attesting to the ownership of the property confiscated from his family to demand on these grounds an indemnization to be represented by the Cessna aircraft, registration number 402BQ118. His father told him that they would say, upon their landing in the United States, that their escape had been due to an aborted attempt on the life of the commander in chief, and invention devised by the traitor to improve his image in the eyes of the Yankees and in which he was not supported by the son. This was the son who left, speaking to his friend.

The traitor's moral collapse to the point of conceiving, planning, and executing took place in a coherent manner as a result of a moment of crisis which he could not overcome because of his selfishness and political inconsistency. We have no doubt that the influence of Laura Diego Suarez played a significant role in this decision-making process. According to remarks by her relatives, this woman was willing to live at a lower level than the one reached after she joined the traitor. She told him that if she left Del Pino and could not find a man of equal or higher rank, she would leave the country.

Although a study of his personality and background helps us establish his ideological inconsistency and the traits of personality and character that in the circumstances led him to treason, it is necessary to point out that his moral collapse, which occurred in a relatively short span of time, did not apparently crystallize into antagonistic ideological convictions that would have supported his action. Even in his moral deterioration, an ideology like that of an enemy had not yet formed in his mind. Consequently, the act of treason came up as an adventure inspired by the basest motives of his behavior and his boundless personal ambition, which he had less and less chance to satisfy. All this conflicted with military circles, which had begun to question him more than they acknowledged his past merits.

We will now consider the implications for the defense of the country and the leaders' safety. The characteristics so far assessed relate to the rank of the traitor, his family and social relations, and the various activities in which he was engaged prior to being named to the post he held lately enabled him to gain access to secret information related to the country's defense, such as data regarding leaders of the state and party and the safety of the leaders. All of this makes the leaders feel highly vulnerable. He knew everything about the Air Force.

He had plenty of information about the anti-aircraft defense system. Generally speaking, he knows little of the Revolutionary Armed Forces. Some of his actions prior to his treason might have been for the purpose of gathering data to this end, including his frequent violations of the special security system. In March 1962, he took home secret documents pertaining to the (?prum) fighter squadron. He succeeded in this by his not using documents controlled by the secrecy office. In March 1971, when the traitor was Air Force chief, he committed a series of violations in the form of negligence and apathy toward his command, which seriously affected the activities of the Air Force. These violations consisted of breaching the protection of confidential material.

The request presented to the FAR secrecy office about the TG [expansion unknown] documents of the FAR Central Command Post some days prior to his leaving the country was denied. He carried out studies and constantly sought data about various topics. In 1985, he executed several flights and photographed our landing fields to determine the places where the enemy could act to prevent our planes from taking off. Also, under the pretext of writing a book, he visited our files and gathered data everywhere. As the result of research carried out by the traitor, some on his own initiative, he learned the route used by the commander in chief. He proposed an alternate course which was dismissed because it was dangerous. In addition, because of his position and corrections, he also had information about routes, means [of transport], and security measures in the transport of leaders in their visit to the Special Air Regiment. Some of the data we have mentioned was found in his notebooks, photocopies, and pictures, both in his office and his home, not including what he might have taken with him during his flight, such as videos, pictures, and photocopies. The commission also mentions issues that should not be discussed publicly.

In conclusion, Rafael Del Pino Diaz' treachery is the result of a process of moral and political attrition closely linked to the professional and personal frustrations he experienced because of his inability to reconcile his boundless personal ambition with our society's interests and realities. This traitor's knowledge of sensitive information regarding DAAFAR and FAR secrets as well as top leaders' plans and security measures, is potentially dangerous for our directorates, and forces us to impose measures to neutralize the significance this information could have for the enemy.

The commission has pointed out a series of critical issues and it is studying the self-critical statements made by several comrades responsible for violations in this case. It is also making a series of recommendations to neutralize the effects of this act of treason. As is well known, our Armed Forces are characterized by the seriousness and rigor of their work, and they have my full and absolute trust.

I would like to reflect a little on... [does not finish sentence]. It is clear that the elements of position, notoriety, and downfall not to say a [does not finish thought] -- influenced us, somehow dimming and concealing a chain of details and events, some of which I said I did not see for certain reasons, because of their sensitivity. These details should have been taken more into account and more seriously. I have insisted on an adequate job, the best job.

All these elements would have become evident. There was potential for this individual to become a traitor. Because some of the information was not known; some of it has just become available now. We did not know about this claim; this and other details. However, other things were known about these characteristics. We tolerated one thing, then something else, until we obtained evidence on many symptoms, which the comrades have been able to analyze. That is why there has been a review commission; serious self-criticism, which is what we have here.

I want to tell you, this has been a great experience. Certain personal events and characteristics -- can lead one to moral deterioration, revolutionary deterioration... [changes thought] deterioration of a revolutionary man. He received publicity and came into the limelight, but he is far from the only distinguished pilot, the only hero, as he was once considered for his action at Giron. There are dozens of excellent pilots in our Air Force who have extraordinary records, working silently without publicity.

Air Force pilots, helicopter pilots that are unknown, but who have extraordinary merits, excellent skills. We have to meditate on this. We are part of a revolution. We have to meditate on this and the previous case.

We are in a struggle to rectify during not the best or ideal conditions. We are trying to rectify under difficult conditions, like economic difficulties, as I have explained other times. Not like when we imported \$1.5 billion -- convertible currency which would be equivalent to \$2 billion, but between \$600 million and \$700 million, which in 1984 was the equivalent of \$400 million, to resolve old problems due to mistaken concepts [sentence as heard]. We are not only rectifying old problems, or rectifying mistaken concepts, we are looking for new solutions to old problems. This is the line we are following. The city is a witness of the efforts we are making and the results being obtained, also the work style being used. Tomorrow and the day after we shall see them there, the representative of the workers, of management to take stock -- because we have to take stock -- [words indistinct] with their experience. The meeting is not only to set out concepts but also to find new solutions to old problems. This requires discipline and exigency.

The enemy is emboldened by, becomes encouraged by our difficulties. They underestimate the tremendous moral potential of a revolution and a people. They always underestimate the people as in the case of Giron they have strange theories that the people would join the invading mercenaries. However, they become encouraged: The weak are weak. There could be some magnificent, some that are excellent under ideal conditions -- the easy way. Revolutionaries are tested under the most difficult conditions. But these are difficult, we cannot even say very tough. Tough is a total blockade. Tough is a special situation. Tough is the war of all the people, and no one here doubts that we are willing to wage one. No one here has the slightest doubt. Everyone knows. Our people have written their page in history. That page is already written. Our people are capable of curbing imperialist aggression; capable of developing such strength that the imperialist had to stop and think, think real hard.

In a recent news conference, I said that they had overlooked the cost Cuba would have to pay [Castro corrects himself] the cost the United States would have to pay for an aggression against Cuba. I made this statement when commenting on the aid to Nicaragua. I said that the aid was being given so that Nicaragua would not have to endure what we endured here. I said it: Our people have just written a glorious page in our history. We did not write that page in blood, we wrote it with much sacrifice, effort, and discipline. We probably avoided bloodshed, but this does not mean that the problem had ended. We have acquired a certain level of security because we developed out strength. However, we must continue to develop it. The Cuban people have nothing to envy of other people. The Cuban people performed a great feat in the past few years.

The Cuban people's determination to defend the revolution prevented more problems. The times have not been too difficult; we have prevented and continue to prevent this. However, there are some who become soft in times that are not so difficult. They cannot take the discipline and demands. There are some who are corrupt, who are corrupted, who alienate themselves, who begin to think of money. They know that they have what we can call a free imperialist market. They know that they can go to that market and sell. They have a price in that market. The imperialists pay any traitor, they do not like traitors, but they are willing to pay them. We saw many traitors and defectors during the early years of the revolution. There were many such men. This happened in our times. We will continue to see traitors and defectors. Nothing can stop this weak man, a man with a weak spirit. These men have the blood of traitors. To sell oneself, to cross over to the enemy, you must have the blood of traitors. There is no excuse for such men.

There will never be an excuse for a revolutionary to cross over to the side of the enemy. We can accept many other things, but not this one. We can even accept the fact that a man may decide to take his own life, but we cannot accept defection. That is sickening.

On several occasions we have said that if the day comes when we feel, when a revolutionary feels, that his dreams are utopian and cannot be fulfilled, that the socialist ideals cannot be fulfilled -- everyone knows that our revolutionary ideals and the socialist ideals are the same -- then even this will be no excuse for defection. Not even under those circumstances will he be justified for crossing over to the side of the enemy. Ours are the purest ideals, valuable ideals. Therefore, we must be willing to die for them. It is better to die for a dream than to cross over to the ranks of the enemy. However, this has happened and it will continue to happen. But do not feel discouraged. Instead of being discouraged we must strengthen our firmness and ideals.

Speaking of this, we should add that we always think about our pilots and our Air Force. They are very hurt and offended by him. Many young men, after hearing what we have just explained, reacted with an attitude of rejection, of unanimous condemnation. This was a spontaneous rejection. The leaders and the party met in each community, in each place to analyze the meaning of the treason. They had been comrades until yesterday, and now he has sold to the enemy plans, budgets, characteristics, everything that would make it easier for the enemy to kill them, to destroy them. The reaction to something like this has to be not only one of spontaneous anger, it must also be one of carefully thinking, of thinking about how repugnant treason is, what it means. We are seeing it.

Only yesterday he was on our side to face the enemy.

I have to say that we have had very difficult moments. I can remember the big traitors of our revolution. There have been big and small traitors. There were some people we knew since we were kids and when the coup d'etat came, and we demonstrated, they squealed on us. Those were micro-traitors, mini-traitors. If we happened to be printing a pamphlet or leaflets, they would deliver the mimeograph.

When we were trying to set up a clandestine radio station -- that was the first instance that helped. Treason made us adopt measures, very strict measures and there was compartmentalization, and we were forced not to believe in anyone just because of friendship, or because we had known someone from childhood days, but to believe in someone because of the motives that a man may have. This helped us very much to organize the Moncada [attack]. Everything appeared to be completely normal, and legal, and we recruited 1,200 men and we trained and mobilized them and we produced a total surprise. We had learned from acts of treason. We learned.

In the previous phase we had acts of treason. We had big traitors. I am going to mention the big traitors we have had. I remember three big traitors. The first act of treason took place in Mexico, with Rafael Del Pino. See how capricious history can be! How symbolic! What a resemblance! Two of the big traitors had exactly the same name: Rafael del Pino. Rafael del Pino was such an ideological fellow! He resembled this one a bit. There was a lot of camaraderie. He liked actions, war. He was not as concerned with ideological factors. However, he was considered very loyal, incapable of treachery by the many people who knew him. That, never! Something that [words indistinct] and he was in Mexico. He worked with us. He worked with me. He was somewhat of an escort. He knew many things because I knew many things, but I did not know it all. But he did know many things. We could not imagine [treason].

We were already in a training camp when he went to visit us.

There was Faustino with a group of approximately 20 comrades. There were snakes in that place. One day, Faustino awoke and had a rattlesnake coiled next to him, warming itself. It was extremely cold at night. Those were hard times. I told him that he had to stay behind to train and that everybody needs physical training. I [words indistinct] in the activities. But he wanted to go on. It was hard for him to accept it. I told him: You have to stay; I order you to stay. You stay. You can't get out of training. And then the guy left. The news came a short while later. Faustino, who was in charge there, sent word that Del Pino had left angrily -- he had left angrily. He had reacted like a spoiled child, many believed. He had become upset because he had been forced to train, and he had left. The fact is that he left and that he knew secrets. This posed a very serious problem for us. Many people thought: No, he wouldn't do that. At any rate, we tried to get him to come back, to persuade him to return because he knew secrets.

The act of deserting while possessing secrets is very grave, and we were in the final phase. We were acting clandestinely. He knew about the ship and about some arms caches. Of course, as a result of the arms distribution system, there were arms in places no one knew about. This was very compartmentalized. I believe on that occasion we should have...[changes thought] We could not change the boat. Nothing could be done about that. Days went by. We should have changed everything. The boat had been delivered. We were in the final phase.

A week before the departure date, in the evening, we received news that the police arrived at Pedrito Miret's house; there were arms there and at the house next door. The two houses fell. The people were underground. The departure day was the next Sunday. We had people who had to present themselves to the government secretariat on Monday because they had been in jail. We had to mobilize everything because of this: Two houses had fallen. But because of the houses that fell, we would not pinpoint who the informer was. Two or three men had become suspects.

We adopted special measures. We began going around in pairs. No one could speak on the phase. We established a systematic and collective watch at that moment. We proceeded to move the arms that according to the information the potential informers had were more at risk and we had to move immediately. We had to transfer the arms to a place between Mexico and Tuxpan, in bags, at hotels.

We began to transfer the arms that were most at risk. And, I repeat, I believe we had already lost a few days because it was thought that because of certain circumstances, etc., the spoiled child would return to the fold. I remember I was on my way between [words indistinct] I had a sort of command post there to order the search of those houses. There was Comrade Candido and another comrade, who both worked very hard. Well, I remember I was waiting one day and these comrades arrived. They were discouraged, bitter, because they had reached a house called Kuomintang 22 -- I still remember it -- where they should have found about 25 pistols and machineguns. They arrived there in the afternoon, or at noon, but the police had arrived in the morning to pick up the weapons. There was a competition to see who got to the houses first: the Mexican police, the federals, or us. We arrived at some places before they did. At other places, they arrived ahead of us. We were there in a clandestine situation. It was under these conditions that we had to prepare our departure and the transfer of all the arms. There was danger, but fortunately we were able to secure counterintelligence information -- intelligence, the comrades called it.

The fact is that we knew the information Batista had without knowing who had provided it. We knew what information Batista had. What had happened? A traitor had given information. This was obvious. But he had sold it in two parts. He did not sell it in one piece. The deal was for \$25,000, but since there was mutual distrust, the traitor was to deliver part of the weapons. Once this was established, he was to get \$5,000. Then he was to get \$20,000, and he would give all the information he had. This was their formula for not cheating each other. Show and they give you. And since I have credit, you give me and I deliver. We knew the exact moment when he delivered one part. The other part was going to be delivered the following week, including the ship. This was the most important thing he saved.

And while he was giving out the two parts of the information, the delivery, etc., we left Tuxpan. The weapons, which we had put in safe places, the safest places, and the one we had saved from betrayal, made it possible to bring still more weapons, because we had a certain amount of weapons we could bring. We left Mexico under those conditions. That was the first major treason that endangered all that effort. The revolution in the end, I do now know; I think we would have persisted if they had occupied the ship and all the things. When I say I think, I am not saying that I am not sure; I am just phrasing it that way. It would have been very difficult for us not to have persisted in any case. However, it was a tremendous, unforgettable moment. The enemy knew that the ship had left and what its name was. It looked for it all over the Caribbean; well, around Cuba. We followed a course on the Granma; we got as far away as possible. The Navy and Air Force were looking for us; they did not see us; and we arrived, despite all that.

We still did not know for sure; we did not have enough facts to rule out anyone. We had some suspects naturally, including this one; he was among the top suspects. However, we had no evidence. The war broke out; the revolution triumphed; and one day, during a counterrevolutionary activity, this gentleman, Rafael Del Pino, landed in a light plane and was captured. He fell right into our hands. He was captured and convicted for being a counterrevolutionary -- not as a traitor; we had no evidence. Years went by, and in the end, after several years, it was still pending. We continued to investigate; and the man began to talk, until -- it appears he was demoralized or something like that -- he told the story of how he committed treason. Well, he was not even tried. It was not even necessary. He had arrived I do not know how many years ago with the [incomplete sentence as heard]. How did he end up? He committed suicide. He committed suicide. [repeats himself] He lacked the courage to withstand prison. His name was Rafael Del Pino. Exactly the same as that individual, and with some similar characteristics.

It is possible that if he had come, he would have even fought. However, he had the soul of a traitor; he had the blood of a traitor; and he sold for 22, [rewords] \$25,000. He is among the great traitors of history.

The second great historical traitor was Eutimio Guerra. We have spoken about him more than once. And he only got rid of a few [words indistinct]. The story of Eutimio and how we escaped from Eutimio's treachery is not complete even in those books GRANMA publishes. It has not really been explained. Maybe some day I'll have the time to tell the full story, because the comrades who have written about it don't have all the details, especially about the more subtle elements -- how we gradually exposed the traitor. Even luck helped us a little. However, despite all our suspicions and how we were getting close to the truth, we almost did not escape. One day there was even a big downpour which made the troops that had left to complete the siege withdraw, and one of our new recruits took a prisoner; he saw someone and he had orders to take prisoners, so he did.

And afterwards, I asked him questions and began gathering information. On that day I came to the conclusion Eutimio was a traitor.

No one...[changes thought] The people looked more surprised than you are now when I was telling the story. But how, Eutimio? How? Because Eutimio was our guide, our eyes and ears, the one who came and went. A peasant we found there in the area of the Sierra Maestra, in the place of the...[changes thought] near La Plata, around there. There were also some contradictions, some struggles there, because there were squatters against this landowning company. He was our guide. He lived with us. He was a man who even by his sense of smell [words indistinct]. He had such a sense of smell that even if we were 100 meters behind him on the road he would know it. He had exceptional abilities. He participated with us in the first combat. He left us in the next place.

Eutimio was cynical. I will not tell anecdotes about that now. One day I will tell the whole story, with all the little details and subtleties. He even slept next to me with two grenades and a pistol and asked where the sentry was. However, he had instructions to kill me if he could not finish off the group. Actually, he did not dare. That is the way we went. I went and gathered a number of very subtle details until I saw the full picture.

I explained to the others. We have to move out of here. We were waiting for some comrades so we could take El Alto. Moreover, I argued with Che that we had to move ahead by 15 minutes. We had to rest 15 minutes, I believe it was. He said: But what's 15 minutes? Yes, but I estimated. I had seen the troops moving very far away. I had asked the peasant what movements he had made the day before and all those things. I estimated, we arrived. We moved ahead 15 minutes, and we took El Alto. And because of the 15 minutes, we were not locked in around where Eutimio was taking them because he knew us. They were going to attack them from below and they had occupied El Alto. We were able to catch them also, in due time, with all their evidence and all their things.

All of that left a bitter aftertaste. It was also a lesson we learned from Eutimio. Later, there was no way; Later we were betrayed by some but there was no way to catch up because all the measures, after that time that we escaped, the enemy was never again able, because the measures we took were traitor-proof measures.

However, what we had done from the first were traitor-proof measures. There was no way to catch us, because of the measures we took as a result of that lesson we learned from you, Eutimio. I say this after more than 30 years have gone by of revolutionary struggle.

This is the third traitor. However, this was the biggest traitor of the three. I will explain why. Because Del Pino had joined our movement out of -- as he said -- friendship, because he liked the people, and he liked action. This was the other Del Pino, this one's predecessor, the one who sold us for \$25,000 -- that kind of tie, not so much ideological. There was action. He was happy to participate in the epic of the revolution. However, he was with us for some time. He betrayed a handful of men who were organizing a movement, an expedition.

Later we found Eutimio. How many days did we maintain relations with Eutimio? We met him there in the mountains. He joined us, helped us. He was very useful. However, possibly that traitor, the first, the Del Pino man, if the incident had not happened, would have come in the Gramma.

It was not something he planned ahead of time. Instead, he reacted and left. Naturally, even before that he had a high level, a very grave fault. Everyone has secrets. However, he did not plan that ahead of time. [Words indistinct] premeditation to sell out. He sold out afterward. He betrayed a handful of men. Eutimio betrayed a guerrilla group of 20-odd men there. Naturally, they were already representing a national cause. We had met him several days before, we can say. Weeks. He was with us. He left the camp after the clash at La Plata and he fell prisoner of (Casillas), of Army troops. When he was taken prisoner, they threatened to kill him -- and they would have killed him -- or they offered him everything: rank, honors, money. He placed himself at the service of the Army. In that dilemma, he lacked the courage to face death and accepted the proposition the Army made to him. Beginning with that moment, he was a fearsome enemy because of what he knew. He took the Army three times to where we were. The first time he took them to that place, we ambushed them, a group of paratroopers. The second time he sent the Air Force. The third time, the fourth time, about four times, the Army almost arrived. We didn't, we had not realized it. The third time was the last that I narrated before, in Altos Espinoza.

Whom did Eutimio betray? He betrayed a handful of guerrillas, a budding movement, some people he met there. Despite ourselves... [changes thought] The truth is we always considered him a great traitor. Despite this, we took care of Eutimio's family. The children were raised with the revolution, and they are with the revolution. They were innocent. It was not their fault. What he requested, he even requested it when we went to execute him. [sentence as heard] What the family requested was that the son die without him requesting it. The family did not have to request this of course.

Now then, this other treason [referring to Rafael Del Pino] is of another nature. It involves an individual who has been with the revolution for 28 years, who has participated in combats in defense of the country against imperialism, against the Giron mercenaries. He was proud of that; he lived from that; he wrote; he received honors, awards, medals, cars. He effectively provided other services at other times, almost all our pilots have provided internationalist services in Ethiopia, Angola, and they have been there for years. But he practically lived for that. And he now goes to the ones who sent the mercenaries. He liked to speak about the comrades killed in Giron, his eyes misty when he was experiencing one of these crises. He spoke of the dead comrades, and he went over there where the ones who killed them, who sent the mercenaries live. And, and [repeats himself], he goes to join an administration that is even worse than the one that sent the mercenaries, one that has threatened us more.

He took all that he could take there because we know something about what he had done over there, about what he has taken there. The Yankees are happy. Of course, they expected to find more than what he took. He took documents, papers, and information. He had everything planned. He said he was bringing much information. He arrived with the goods up front, the information, all the possible data he knew about here, about Angola, details. They almost did not want to trust the guy initially. Finally the guy gives information and stuff. Therefore he has sold the homeland, the information, the country's security for some dollars in that tacit agreement between a traitor to the revolution and imperialism in that imperialist market where traitors are bought and sold.

This one does not betray a handful of people. First, he betrayed all his comrades of the Air Force, all of those with whom he has been living for years.

He is a relative not only of his half-brother, his brothers, his sister, his nephews, his uncle -- because a man is a brother of all those men with whom he has spent all his life in a common cause and struggle. One's family is simply one's brothers in action, in the struggle, in the revolution for an objective, an ideal. You can be a brother for 30 years yet betray your brothers. He betrayed the brothers. He betrayed FAR, which gave him the opportunity to distinguish himself, which honored him. He wrote that himself in some of the papers I saw. He expressed his infinite gratitude of how an undisciplined guerrilla group was turned by the ministry, the revolution, the FAR Ministry, into strong, systematic, expert, and organized combatants. There's a great deal of admiration in all those written pages. He betrayed the Armed Forces. He betrayed the party, all those militants, hundreds of thousands of party militants. He betrayed all the people who honored him with distinctions, who trusted him. He betrayed 10 million Cubans at the most meritorious and glorious moment of his homeland, of Cuba, when having just carried out his great deed.

This type of person is disgusting. He was that type of person. I am meditating on this. We should learn from the traitors. We must learn because we will have them. We have to look at this cold-bloodedly and cure ourselves as we did with the first small traitors. We should take vigorous measures, adopt an antitraitor policy. We should, as we said, be immunized. Our policy should be traitor-proof. The enemy has tried to obtain political gain from him especially political gain. When they cannot get any more information out, they will be made to speak like parrots to say whatever they wish. They have given false figures, false figures. [repeats himself] They have exaggerated what he has said concerning casualties in Angola. They are bound to be...[changes thought] Oh, well, the story has just started. Where will it end? It is not possible to be on this side and then wake up the next day on the other side. But he used premeditation. That is the aggravating factor. This is the type of reflection I believe is advisable regarding this case, but no one should get discouraged. It should serve to strengthen the spirit, the discipline, the exigency, the loyalty to the revolution and the principles.

The family and the mother are worthy of recognition. They have maintained a civic and courageous attitude. They have suffered a lot with this, but he should have also thought of the relatives. He did not think about them. The other son has maintained an excellent and honorable attitude and enjoys the revolution's full trust. He continues flying. We trust men. There is also a daughter.

I do not know, but I understand there is a letter indicating that they wanted to change the name. A name. It's logical. Well, he took the 2-year old daughter; what becomes of her? He took the 15-year old son. We have a good example here. They kidnapped the boy. They illegally took him from his home. He did not have the paternal authority to take him. He is there in the United States. He, the shameless individual who speaks so much about human rights, did not even allow his mother to talk to her son over the telephone. They are keeping him in isolation.

They have not allowed the Cuban consul to visit him. They said: Let the child, who is under the influence of his father and all those people there, decide. The father is earning money and buying things.

They have not allowed the boy's mother to have access to her child by telephone. No contact was allowed with the Cuban authorities. There have been no signs of a willingness to meet. This is revolting. They are two of a kind: the traitor and the empire he serves. There you have a good example of how the empire acts: unscrupulously.

Perhaps we should meditate on these things. They are linked. The political and ideological weakness, the laxity [reblandecimiento], the corruption, and the immoral behavior come together and lead to a path: the path of treason.

We will continue our battle just as we have continued all our battles: and trusting men. You can't do otherwise. Nothing can be done, a revolution cannot be carried out, if men are not trusted. This is what I tell the UJC comrades.

I want to express the full, absolute, and total trust as those I am talking about deserve. Full confidence in our fighters, our officers, our top-ranking officers, our generals, and our pilots. We know they are made of solid stuff. There will be no division among party members, the comrades of the Central Committee, and the government comrades.

The toughest demand and the strictest exigency against everything that is incorrect are in no way opposed to the spirit of trust and brotherhood among the comrades. What we have to do is line up all the fighters and militants.

We know that we are now a people with very high moral and political standards. These are not only words. Actions have proven this. The 300,000 compatriots who fulfilled internationalist missions within our Armed Forces have proven this. They were 300,000 -- which, when compared with the country's population, says a lot. The tens of thousands of civilian workers and teachers...[changes thought] not only those who fulfilled their missions but those who are willing to fulfill a mission. That's our people. We must have full confidence in them. I repeat again: the trust in men. This bitter treason should not harm this trust.

The treason of that one man did not damage trust in the rest of the comrades who came here in the Granma, and the treason over there did not damage the other comrades' trust in the peasants. We did not conclude that the peasants were traitors. They were our allies, our strongest allies, and many joined us and died.

What we should say as a remembrance of all these struggles is this traitor we mentioned betrayed all those who died in the Moncada, the Granma, the Sierra, the internationalist missions. All those comrades who were the pilots at Giron; he betrayed them.

We are loyal to our dead. We are loyal to our cause, ideals, and dreams. Our cause, ideals, and dreams are based on the trust that we have in men. Men who are doing their work with us every day. Men who escort us. They are loyal men. They are men of convictions. Men who take care of us. Men who bring this tea here. Men who fixed everything.

Let us take the measures, and let all these cases be a lesson to be more disciplined, to be more watchful, and to be more demanding. Let us adopt all the formal mechanisms that must be adopted. However, let us not lose our confidence in men. Let us remember the key to everything in the historical process is man's honesty and the moral values that he represents. Let us hope our trust in the comrades and in men will never be harmed.

Forgive me for having talked so much, but I was going to invite newsmen to ask any questions on this topic or any other. I will try to answer.

Before starting this question-and-answer period, I would like to invite the youths, the students, the comrades of the party, the comrades of the committees, the peasants, and the women to speak up about these things.

Let us confront the enemy. The enemy feels he did a great thing. There are great benefits to be gained from this. Let us show the enemy our strength, pull [preceding word in English], and morale. I urge you to speak up. I urge you to say something and analyze and meditate on these two cases or any other case that may appear. Let us be the insurmountable barrier between some men: between the weak and the strong, between the cowardly and the courageous, and between the traitorous and the loyal. We must meditate and make others meditate on this so our condemnation will be reflexive and our morale will become higher than ever.

I am ready to listen to any questions. We will have a meeting early tomorrow. If you think we have been here for too many hours and do not want to ask any questions, then we will end the session.

I think perhaps I have been very thorough. You may always wonder what happened. Perhaps, there were some mistakes here and there. One cannot have understood things that are now understandable. When something fails, what truly failed is honesty and loyalty. However, I think we must... [changes thought] even a formal order, even if there is trust. I have trust in the comrades. That is all right. We must take care of all those details. Perhaps there will be questions. We will continue to be attentive to those that may arise to try to answer them. We will continue to take the floor. We have meetings all these days. There will be thousands of comrades there early tomorrow morning. But with this case out of the way, we will be able to concentrate tomorrow on the interesting topic: What have we done this year? What did we do right? What did we do wrong? What is left to do? Keeping a record of what we are doing each year. This is a new working style, I would say. We will hold meetings with party comrades and the UJC. We will have debates, analyses, and ideas to continue advancing this battle, a battle that we will win. No one doubts that.

We have to go to sleep. We have work to do tomorrow. Thank you.

REACTION TO CASTRO'S DOMINGUEZ, DEL PINO SPEECH

FL252027 [Editorial Report] Havana Radio Periodico del Aire in Spanish at 1600 GMT on 25 June carries reaction to Cuban President Fidel Castro's 25 June speech on the arrest of Luis Orlando Dominguez and the defection of Rafael Del Pino Diaz on a segment called "Support for Fidel's Statements."

Correspondent (Felix Luis Lau) reports: "Havana City sports workers give their support and confidence to our Commander in Chief Fidel Castro and to members of the Communist Party of Cuba [PCC] Central Committee and Politburo for the work they are carrying out and planning against all treason and bourgeois attitudes, which will at no time undermine the ranks of the revolutionaries and which are small, despicable grains of sand among our gigantic island."

It is also reported during the same program that the students of the Camilo Cienfuegos Military Vocational School in Pinar del Rio "held a surprise rally this morning during which they confirmed their strict support and loyalty to socialism and the PCC." "The students reject the corrupt attitude of Luis Orlando Dominguez and the treason of Rafael Del Pino," reports the announcer. The students pledge to be firm FAR combatants in the future and "in response to our commander in chief's speech and the call he made to the people, the youth, workers, and members of the Havana City Society for Patriotic-Military Education reaffirm their intent to be better each day, to be more careful and vigilant against these deformations through open and combative criticism, confident we are on the correct road."

Havana Radio Rebelde Network in Spanish at 1700 GMT on 25 June reports "all our people have demonstrated their decisive support for the statements made by Commander in Chief Fidel Castro during the special program broadcast last night over national television and radio." "Since early this morning," continues the announcer, "the youth of Ciego de Avila have been organizing acts of revolutionary reaffirmation in centers of production and education." "The second secretary of the UJC (Conzalo Tarrero) has said that the responses to the acts mentioned by Fidel have been made by the most vigilant and honest youths," says the announcer. Also expressing support for Fidel's speech, he continues, are "the chiefs, officials, sergeants, soldiers, and civilian workers of the Minint [Ministry of the Interior] in Cienfuegos Province," as well as the "workers of Tele-Impresoras de Camaguey. The April 9 airport workers in Las Tunas reaffirmed their conviction to definitely eliminate all errors and deviations with the assurance that in this grand battle of the rectification process, we will once again be victorious."

RALLIES CONTINUE ON DEL PINO, DOMINGUEZ ACTS

FL2713334 Havana Radio Progreso Network in Spanish 1100 GMT 27 Jun 87

[Text] In open rallies throughout the country, our people continue expressing their rejection of corruption and treason, while at the same time, they demonstrate their complete support for the enlightening statements made by Fidel last Wednesday in a speech carried by national radio and television.

The statements made at the peoples' rallies demonstrate maturity, reflection, and analysis, as well as a strengthening and high point in the revolutionary spirit.

U.S. 'INTERVENTIONIST' POLICY IN PANAMA VIEWED

PA011440 Havana International Service in Spanish 2300 GMT 29 Jun 87

["Our America" commentary read by Manolo Ortega]

[Text] The article that the U.S. paper THE NEW YORK TIMES published recently could not be more insulting and interventionist.

This article openly calls for the strengthening of the destabilizing activities against Panama and specifically proposes the removal of General Manuel Antonio Noriega, the current chief of the Panamanian Defense Forces.

Phrases like the Panamanian Government has increasingly become unpleasant or the request to end the dictatorial regime of Gen Noriega are the equivalent of serving U.S. interests [words indistinct] in an article that is disrespectful of the Panamanian people's dignity.

The evident insolence becomes more significant once one is aware -- through revelations made by former CIA spy John Stockwell -- that the United States has been involved in numerous destabilizing actions against Panama, including the alleged plane crash in which General Omar Torrijos was killed.

In addition, THE NEW YORK TIMES' statements confirm the true roots of the crisis that the local oligarchy tried to [word indistinct] in Panama recently. That crisis resulted in a frustrated general strike and pot-banging demonstrations, which were rejected by the people.

[Word indistinct] basic [word indistinct] move Washington's hostility against Panama. First, the persistence of the Panamanian Government in the fulfillment of the Torrijos-Carter Treaties, which establish the transfer of the Panama Canal into Panamanian hands in the year 2000; and second, the Panamanian position concerning the Central American conflict, which favors negotiations within the framework of the Contadora and Support Groups.

It is well known that the U.S. Southern Command is located in the Canal Zone, and that for the U.S. -- especially for Ronald Reagan's ultraconservative government -- maintaining its control over the canal is equal to safeguarding the southern front of the empire against the alleged subversive actions [words indistinct] international communism.

No less annoying for the United States is to come up against the Panamanian rejection of a direct invasion of Nicaragua and of military solutions in Central America.

In the last few weeks, it was also learned all U.S. economic assistance for Panama must be endorsed by the U.S. President taking into account the situation of democracy in Panama, a clause that makes U.S. direct intervention in the internal affairs of the neighboring country official and demonstrates U.S. contempt for what the United States considers a second-rate [word indistinct].

U.S. Ambassador to Panama Arthur Davis has been [words indistinct] and plotter and has not [word indistinct] of his projects of unconditional support for [word indistinct] the disturbances promoted by rightist groups in Panama a few weeks ago.

Therefore, the disrespectful statements published in THE NEW YORK TIMES -- partly cited earlier in this commentary -- become specific proof of who moves the strings of the reactionary plot in Panama.

Undoubtedly, the big-stick policy has not died at the White House, and the interventionist stick is shaken menacingly against a small country that only wishes to recover its national rights and eliminate forever the fifth border [as heard] imposed by the powerful neighbor of the north.

DOMINICAN REPUBLICFORMER PRD OFFICIAL BECOMES 'FUGITIVE'

FL302341 Santo Domingo Domestic Service in Spanish 2200 GMT 30 Jun 87

[Text] The legal adviser of the Executive Branch, Dr (Hernando Reid Vittini) said today that the coordinator of former President Salvador Jorge Blanco's faction, Lic Rafael Angel de Suarez, has declared himself a fugitive of justice.

During an interview at his office at the National Palace [words indistinct] the former administrator of the Agricultural Bank in New York. He told that firm that he is being pursued politically. The high-level government official said that Angel de Suarez faces very compromising accusations.

Last week, the Monte Cristi judge issued an order preventing Lic Suarez from traveling because of alleged acts of corruption, which occurred while he was administrator of the Cruz de Manzanillo mining project.

Nevertheless, the high-ranking PRD [Dominican Revolutionary Party] official evaded the order preventing his exit and flew to the United States where he made statements against the government and Dominican justice saying that he is being politically pursued.

HAITICLASHES RESULT IN 10 DEATHS, 57 INJURED

PA012112 Paris AFP in Spanish 1527 GMT 1 Jul 87

[Text] Port-au-Prince, 1 Jul (AFP) -- The Haitian capital today looked like a battlefield after 2 days of a general strike marked by violent clashes between soldiers and demonstrators that resulted in the death of 10 persons, 57 injured, and approximately 20 arrests.

In several sectors of Port-au-Prince and its suburbs, one could see thick columns of smoke rising into the sky from seven cars, burning tires, and tear gas. This was the result of violent demonstrations staged by 2,000-3,000 persons who were demanding an end to the National Government Council of Haiti, which is presided over by General Henri Namphy.

After a shaky calm, marked by sporadic automatic arms fire, Gen Namphy last night announced the beginning of talks on the holding of the forthcoming elections. Namphy reaffirmed that none of the National Government Council members have political aspirations and accused "challenging and hostile sectors" of attempting to stop the election process. The government will not be dragged down "the path of radicalization," added Namphy, who called on the people to help the Armed Forces in the transition toward democracy.

The strike coordinating committee last night decreed a truce for today, Wednesday, so people could resupply themselves.

VENCEREMOS REPORTS 24-26 JUN MILITARY ACTIONS

PA301337 [Editorial Report] (Clandestine) Radio Venceremos in Spanish at 2300 GMT on 27 June broadcasts a report with details of its military actions on 24, 25, and 26 June. It begins by reporting that on 24 June, FMLN units clashed with "Recondor" units of the 5th Infantry Brigade in San Bartolo and San Nico Canton, San Vicente. The Army sustained "a casualty by a sharpshooter." On 26 June, FMLN rebels staged an attack against two companies of the Jiboa Battalion moving from La Soledad Canton to San Juan Buenavista, Tecoluca jurisdiction. The rebels claim 10 casualties in this action.

This report states that "on that same day, other guerrilla units attacked these same troops" in another location in Tecoluca jurisdiction, where they inflicted "another two casualties" on the Army. In these 3 days of victorious combat, the report continues, "we inflicted 17 casualties on the Duarteist troops," adding that the Jobia Battalion sustained 40 casualties in 7 days of a "foiled operation on La Campana Hill."

Another report says that on 24 June, rebel units staged a sniper attack in La Agostura Canton, San Esteban Catarina jurisdiction, in San Vicente, where they inflicted "another casualty on the demoralized troops of the dictatorship." The report adds that another sniper attack staged in that same place "inflicted another casualty on Guzman Aguilar's troops."

Then, on 26 June, rebel units staged another sniper attack in another location, where the "Duarteist troops sustained a casualty."

FMLN DOWNS HELICOPTER, 'MANY' CASUALTIES

PA292135 (Clandestine) Radio Venceremos in Spanish to El Salvador 2300 GMT 26 Jun 87

[Text] A war bulletin received by Radio Venceremos reports the following: At 0700 on 17 June, when troops of the Paratroopers' Battalion were preparing to jump from four helicopters in the San Antonio La Cruz area, between Guiliguiste and La Isla in Cabanas Department, our guerrillas opened fire on the aircraft and downed one of them.

[Words indistinct] When it was hit by our fire. The aircraft was full of members of the Paratroopers' Battalion. According to the report, the helicopter that was hit crashed in Copalchan, the area later surrounded by the enemy to prevent the residents from witnessing the defeat they had suffered.

Hours later, the enemy used other helicopters to retrieve the remains of the aircraft and the many dead and wounded, which made up a single mass amid the twisted metal of the aircraft.

AUTHENTICITY OF U.S. SUMMIT DOCUMENT DENIED

PA020159 Managua Domestic Service in Spanish 0117 GMT 2 Jul 87

[Text] We will now read a last minute communique issued by the Nicaraguan Foreign Ministry regarding a document published by the Reagan administration with the intention of sabotaging the presidential summit in Guatemala. The communique reads as follows:

Regarding the spurious document fabricated and divulged by the Reagan administration's political-military agents reporting it as an internal document of the Nicaraguan Government, the Nicaraguan Foreign Ministry:

1. Categorically denies the authenticity of the document or the existence of a commission or seals such as those mentioned or appearing on it;
2. Expresses its indignation over the disrespectful description of two Central American presidents whom Nicaragua always has treated respectfully;
3. Stresses that this coarse falsification reveals the desperation of sectors bent on foiling [Costa Rican] President Arias' constructive proposals during the next summit in Guatemala, which Nicaragua will attend with the desire of identifying points of consensus among the presidents in an effort to create detente in the area.

Managua, 1 July 1987
Foreign Ministry

BARRICADA 'SUMMARY' OF ORTEGA-DELVALLE AGREEMENTS

PA262227 Managua BARRICADA in Spanish 25 Jun 87 p 3

[Unattributed article: "Basic Summary of Agreements With Delvalle"]

[Text] At the cordial invitation of Panamanian President Eric Arturo Delvalle, Nicaraguan President Commander Daniel Ortega, accompanied by his work team, held a round of positive talks with his Panamanian counterpart and his close aides regarding the reactivation of the Central American peace effort.

1. Nicaragua maintains its position of firmly defending the summit of Central American presidents.
2. Nicaragua insisted up to the last minute that the Central American presidents' commitment to hold the summit 25-26 June in Guatemala should be fulfilled.
3. Nicaragua believes that the interests of peace in the region were not helped by the postponement of the presidential summit.

4. Because it was impossible to hold the summit 25-26 June, and in response to the constructive efforts by the Panamanian president, Nicaragua has notified Contadora, through President Eric Arturo Delavalle, that it accepts the postponement of the summit to the dates proposed by President Vinicio Cerezo and accepted by all the Central American presidents -- that is to say 6-7 August. With the same spirit and just as it defended the holding of the summit on 25-26 June, Nicaragua will defend the right to meet on the new dates, which were agreed upon by the Central American chiefs of state; and it will not lend itself to any maneuver to hinder, postpone, or thwart the success of such an important presidential meeting.

5. Nicaragua recognizes as positive and important for the interests of peace the Esquipulas initiative, including the first meeting where it was nevertheless confirmed that prior agreements must be adopted within the context of Contadora to guarantee their fulfillment.

6. Because of the need to begin a process of consultations on the viewpoints of the Central American presidents regarding the summit, Contadora and the Support Group must urgently be entrusted to decide what those mechanisms should be and how they should be implemented.

INTERIOR MINISTER GRANTS INTERVIEW TO BUDAPEST TV

LD282226 Budapest Television Service in Hungarian 1700 GMT 28 Jun 87

["The week" program]

[Text] The oldest leader of the Nicaraguan Sandinist revolution is Tomas Borge, who has visited our country in his capacity as interior minister. We know Borge as a renowned poet and philosopher. A face to face program was made with him; we now show you brief extracts. Gabor Beszterczei has chosen an original interview method: He mentions captions and Borge tells him what comes to his mind about those concepts.

[Begin recording] [Beszterczei] So what does the word Sandinism mean to you?

[Borge, here and subsequently in Spanish with superimposed Hungarian translation] Sandinism employs the precepts of revolutionary theory in Nicaragua's particular situation, in our historic environment. Sandino himself had worked out his own theory, which was further enriched by the thoughts of Carlos Fonseca. I describe as Sandinism the amalgam of the theories of Sandino and Carlos Fonseca, which draws from the range of ideas in other parts of the world and which has developed amid Nicaragua's local conditions.

[Beszterczei] Communism?

[Borge] Communism, according to theory, is the highest degree of socialism.

[Beszterczei] Do you therefore profess Marxist teachings? Do you also consider yourself to be a Marxist?

[Borge] According to the theory's promises, one day everyone will live in accordance with his needs. I believe that if this is realized, then we will live in a faultless society.

[Beszterczei] The Soviet Union?

[Borge] The Soviet Union is a model country. This is valid from the point of view that it helps the poor; but also because it has set an heroic example in the course of the history of the most modern times, since the victory of the Bolshevik Revolution. I think that the Soviet Union's blood sacrifice, which it made for its own freedom and also for the freedom of the peoples of Europe, makes it worthy of particularly great admiration. The Soviet Union is a country that has contributed to a significant extent to our being able to resolve some of our most burning problems.

[Beszterczei] The United States?

[Borge] Our history has for a long time been intertwined with the United States. In 1856 we had to defend ourselves against the first American aggressors who attacked Nicaragua. In the course of our history, nevertheless, the same casting of roles was repeated many times. I would even dare to state that the most significant part of Nicaraguan history amounts to our country standing up against U.S. aggression. In the same way, the United States occupies a significant role in the history of Latin America. This history is also part of the history of aggressions. We can see this in the military, economic, and political spheres. Our past is full of black memories, but in the present, too, we have to live constantly with this aggression waged against our small country.

[Beszterczei] Catholicism in your country?

[Borge] In Nicaragua the majority of the people are Christian and the majority of the Christians are Roman Catholic. The large majority of the Nicaraguan Christians support the revolutionary process.

[Beszterczei] Human rights in your country or elsewhere in the world?

[Borge] With regard to human rights, we have made an attempt to change our country into a kind of example, a show case after the revolution. We wanted to show the world what human dignity is. In my view, human rights have to be looked at not only from the viewpoint of individuals, but the social changes must also be taken into consideration. [end recording]

600 CONTRAS REPORTED KILLED IN PAST 5 MONTHS

PA280047 Managua Radio Sandino in Spanish 1930 GMT 25 Jun 87

[Text] More than 600 counterrevolutionaries have been killed in the last 5 months by the EPS in central Nicaragua, military sources reported today. A report from the 5th military region, which includes Boaco and Chontales Departments, states that the anti-Sandinists have planned to bring into the area a contingent of almost 1,200 men from their bases in Honduras.

[The report] specifies that the incursion was stopped in the northern part of the region in an area known as (Las Pilluelas), where clashes with the contras are still taking place.

One of the main objectives of the contras, the report states, is to block the road to Rama to interrupt traffic between towns on the Pacific and the Atlantic Coasts.

The report adds that the anti-Sandinists have been forced to divide up their forces into small groups, making it increasingly difficult for them to receive supplies from the air.

During this time period, the EPS has recovered 180 rifles, 12 grenade launchers, 8 machineguns, and large quantities of ammunition, the report states.

The report adds that the principal clashes took place in (Juringuacito), La Sirena, La Jerito, and Cano Negro. The counterrevolution lost, among others, the following unit leaders, known by their pseudonyms as: Siete Leguas, Afro, (Ualuche), and Tulipan.

35 CONTRAS REPORTED KILLED DURING QUILALI ATTACK

PA301257 Managua Radio Sandino in Spanish 1930 GMT 26 Jun 87

[Text] According to a Region 1 military bulletin, the casualties inflicted on the mercenaries who attacked Quilali yesterday reached at least 35 by noon. As a result of the attack, Quilali has been left without telephone communications or energy sources. Our correspondent in Ocotal, Alina Diaz, has sent in the following report [words indistinct]:

[Begin Diaz recording] The number of counterrevolutionary casualties in Quilali has reached 35. About 200 mercenaries were simultaneously repelled by the Sandinist People's Militia, Interior Ministry, and EPS combatants in Quilali, (?Biasur), El Jicarito, La Reforma, La Campana, and El Jabali, where 35 mercenaries were killed. The Sandinist combatants and Quilali residents captured four counterrevolutionaries, including detachment leader Orlando Talavera Gutierrez. SMP [Patriotic Military Service] combatants Martin Jose Salgado Canales and Juan Carlos Gutierrez Lopez, who were born in Managua; Osman Munoz Herrera, from Somoto; and Marvin Martinez Blandon, Pedro Zeledon Diaz, and Alejandro Escalante Matey, from Limay, were killed during the attack. The civilians killed were: Guadalupe Mesa Cano, from Quilali; Audiel Herrera Rodriguez, from Quilali; an unidentified peasant from Los Jabalies; Jose Martinez, 12, from Quilali; and Benito Alvarado, from Quilali. The badly wounded are: Juan Rosas Centeno, Javier Antonio Blandon Alvarado, Julian Munoz Sanchez, Luis Munoz Cordoba, Juan Carlos Guillermo Hernandez, and Golman Adali Estrada.

During the attack, the counterrevolutionaries partially destroyed the local granary. The town was left without energy or telephone communications. In addition, the mercenaries stormed some homes, searched them, stole money, and then destroyed them. [end recording]

NORIEGA CALLS FOR 'RECTIFICATION' EXPOSES 'PLOT'

PA011845 Panama City Domestic Service in Spanish 1740 GMT 1 Jul 87

[Speech by General Manuel Antonio Noriega, commander in chief of the Defense Forces, at rally in the garrison of the 11th Military Zone in the San Miguelito Special District -- live]

[Text] All friends of San Miguelito, I have especially come here so that you would not go into the streets and so we can maintain the good sense we should all maintain at this time. I also have come to thank you for the unifying work plans you have carried out these days and that you will continue to carry out on the basis of the saying: This may be a blessing in disguise. For the people of San Miguelito, for the Panamanian people, this [current situation] has served to minimize the differences among us and has led us to understand that there are more powerful and bigger enemies against the poor.

Therefore, I reiterate that this struggle has not ended. This struggle is but part of the evolution [evolucion] that takes place as 1999 draws nearer. The year 1989 means 10 years prior to that date. It means a transformation when a president has to be elected with popular force. It means the beginning of the phase of reversion when the director of the Canal Commission changes and a Panamanian enters. Therefore, the machinations and the threats are not accidental or by chance because the Defense Forces are not the obstacle, let me correct myself, the Defense Forces are the obstacle that prevents the achievement of the shady objectives of those who are against the Panamanian people and who advanced, who aborted [abortaron] their plot which was going to be in September when the social security laws were going to be passed. Therefore, that abortion caused them all the mistakes we have seen.

As the Defense Forces, we insist that we are and will be the pillar of democracy, but a democracy understood as the one in San Miguelito, a democracy understood as the truth of the Panamanian people, a democracy that we can understand, live, and use and not the democracy understood as the Philippine model because we are not Filipinos.

Therefore, we maintain the principle of support for democracy. We maintain the belief that the Defense Forces also need more time for the professionalism of the year 1999. There must be unity and coordination between the political people as the government and the military forces because the canal will be administrative, political, and military [sentence as heard]. When this is seen scientifically, they [not further identified] do not want it to happen. They do not want it because they want to obtain everything very easily and without people backing them.

We reiterate that this is the time for rectification. First of all we reiterate that this is the time for courage, for support, for the Panamanian democratic concept, and for rectifications. Above all, it is time for unity among the men who have the same problems. We will continue with our civic action. We will continue to increase it because they are so bothered by it. We will place it in the hands of the people's power. We will place it at the service of the poor. We will maintain it with a sense of fatherland and development. Those are our hopes, those are our doctrines, those are our ideas, and I conclude with the slogan right in front of us which states: San Miguelito wants peace. Thank you very much.

ARIAS MADRID MEETS OPPOSITION LEADERS, COMMENTS

PA020050 Panama City Telemetro Television in Spanish 2300 GMT 1 Jul 87

[Text] Arnulfo Arias Madrid, three times president of the Republic and currently president of the Authentic Panamenist Party, met 1 hour ago with the main political leaders of the Panamanian opposition to analyze the recent political events in the country.

Following the meeting, Arias Madrid made a statement to local newsmen at his residence in Carrasquilla.

[Begin Arias Madrid recording, in progress]...where we are requesting the U.S. Government's help. [end recording]

Arias Madrid also referred to the disorders during the past few hours.

[Begin recording] [Arias Madrid] The Panamanian people are very intelligent and know exactly what to do in critical times. Our party, and the other parties, I am sure, do not want any bloodshed.

[Reporter] What has been the conclusion reached at this meeting of opposition parties?

[Arias Madrid] Specific commissions have been appointed for various tasks, which we cannot explain right now, because we do not want them to know our plans.

[Reporter] What will be your position, as you have always....

[Arias Madrid, interrupting] I am not (?perfect); I do not know what I will do when the time comes.

[Reporter] Regarding the unity of opposition parties?

[Arias Madrid] Perfectly united.

[Reporter] What about an alleged rivalry that exists, according to the government, which has said that members of the Authentic Panamenist Party are discontent over your party's position, and, particularly, that you have withdrawn after the elections and have not responded to....

[Arias Madrid, interrupting] I am old enough and have enough experience to know when to withdraw and when to take action.

[Reporter] What is your message to Delvalle?

[Arias Madrid] Huh?

[Reporter] President Delvalle?

[Arias Madrid] I am not interested in him. [end recording]

PANAMENIST PARTY CALLS FOR MILITARY ENLISTMENT

PA011640 Panama City Radio Uno Soberana in Spanish 1547 GMT 1 Jul 87

[29 June 1987 "Emergency Order No 2" issued by the "National Emergency Directorate" of the Panamenist Party]

[Text] From the Panamenist Party of the pitcher [reference to the symbol of the Panamenist Party] to the Panamanian people.

About: The fatherland's defense.

The Panamenist Party reports the following to the Panamanian people:

1. We make a call of alert regarding future registration in the patriotic and voluntary military service.
2. Via Radio Uno Soberana and other media, we will report the location of patriotic and voluntary military registration centers.
3. We will strengthen and step up security patrols and follow up actions against the fatherland's traitors, especially against the oligarchs [rabiblanco] who are involved in the treason.
4. We will close all escape paths for the traitors, especially the oligarchs who have betrayed the fatherland.
5. We will keep listening to Radio Uno Soberana, on 570 khz AM, to receive instructions for these actions.
6. On this occasion, as opposed to 1964, the blood of U.S. invaders will flow and should Panamanian blood also flow, this will be the blood of traitorous oligarchs, who have brought about this situation.

Not a single step backward. Go ahead General Noriega for a better Panama.

[signed] National Emergency Directorate.

Luis Gaspar Suarez Sierra, president

Teodoro Navas Tapiero, vice president

Francisco Puente Gonzalez, general secretary of Panamenist Youth

Jose Napoleon Ruiz Perochona, secretary of the Panamenist Party's National Emergency Directorate

Panama City, 29 June 1987

CIVILIANIZATION CRUSADE RELEASES COMMUNIQUE

PA011808 Panama City LA PRENSA in Spanish 1 Jul 87 unnumbered insert

[Communique released by the National Civilianization Crusade and inserted between pages 10a and 11a of the newspaper; no date or place given]

[Text] National Civilianization Crusade [Cruzada Civilista Nacional]

The National Civilianization Crusade, in view of the restitution of the constitutional guarantees that were suspended last 10 June for most Panamanians, wishes to communicate the following to all citizens:

1. As a representative organization that does not discriminate against any race, religion, or political creed, we maintain our firm decision not to rest until we have fulfilled the objectives that gave rise to our creation. Those objectives are the following:

- a. To rescue the institutions that guarantee justice and true democracy in our country.
- b. To request an investigation of the events that were reported by former Colonel Roberto Diaz Herrera in his confessions.
- c. To demand the immediate dismissal of all civilian and military officials who have been accused or are involved in the events until the events and accusations are clarified.

2. We condemn those who are trying to divert attention from the real problems by manipulating the government's communications media, and are hiding behind a false nationalism to conceal the immunity of certain Panamanians who are undermining justice and true democracy in our country.

3. We congratulate all Panamanians -- children, young people, and adults -- for their valuable participation in this patriotic deed. We also support those public employees who are victims of all types of repression. Everyone's support is essential in the struggle for national reconstruction.

4. This is a moral, peaceful, and civilian struggle; and it originates from the Panamanian people's deep desire for freedom. The government, by refusing to solve the real problems, is showing evidence that we are almost near victory. Through the unity of all responsible Panamanians, we shall rebuild a Panama based on a legal regime, respect for human rights, and legitimate democracy.

The National Civilianization Crusade will continue with the following actions:

1. Civil disobedience:

To postpone the payment of taxes and of the IRHE [Hydraulic Resources and Electrification Institute], INTO [National Institute of Telecommunications] and IDAAN [National Water and Sanitation Institute] bills, etc. To stop purchasing lottery tickets and attending the race track and casinos. To stop giving publicity to and stop purchasing the government's communications media. The government uses our money for repression. Without money, they cannot continue buying rubber hoses or weapons.

2. Protest actions:

- a. Take out your handkerchiefs and play the pots and whistles at 1200 and 1800.
- b. Stop working each day between 1200 and 1300 every day, and peacefully go out into the streets to protest.
- c. Be alert when we inform you that the strike will last 2 hours, 3 hours, or more, until we have a full strike.

3. Prepare yourself for 9 July (first month of the Civilianization Crusade).

4. The great blackout:

Turn off your lights on Thursday, 2 July from 2000 to 2015 (15 minutes).

5. Say this prayer each day at 2100:

Lord, free us from evil rulers. Take them away from the path of your people, so we may build a civilization of love, peace, and justice; which we all desire.

6. Design a strategy in your family and in your neighborhood to protect yourself from the state terrorism.

The National Civilianization Crusade will continue its struggle for liberty and justice until we have fully recovered them.

God is not in uniform; God is with the just.

RIGHTS GROUP DEMANDS 'POLITICAL PRISONERS' RELEASE

PA011815 Panama City EXTRA in Spanish 1 Jul 87 p 5

[Statement issued by the Panamanian Human Rights Committee; date, place not given]

[Text] The Panamanian Human Rights Committee demands that the pertinent authorities immediately release all political prisoners and prisoners of conscience arbitrarily arrested during the suspension of the constitutional guarantees. Some of these prisoners were sent to Coiba, the penal island.

[Signed] Panamanian Human Rights Committee
Dr Osvaldo Velasquez, President

STUDENTS DEMAND 'CONSTITUTIONAL GUARANTEES'

PA011850 Panama City Radio Mundial in Spanish 1735 GMT 1 Jul 87

[Resolution issued by the Santa Maria La Antigua university student assembly at the Panama City campus on 25 June]

[Text] 1. To demand a return to a constitutional order through the restitution of the constitutional guarantees as soon as possible.

2. To raise white flags on campus as a protest sign until the constitutional guarantees are restored.

3. To support the Panamanian Episcopal Conference's communique issued 17 June.

4. To protest forcefully the physical attacks carried out against our association and citizens in general.

5. To reject all measures adopted by the government aimed at repressing freedom of speech in newspapers, radio stations, and the people's demonstrations as long as government organizations continue to render false testimonies against decent Panamanians who have dared to fight the regime.

6. To declare President Eric Arturo Delvalle, Legislative President Ovidio Diaz, Government and Justice Minister Rodolfo Chiari de Leon, and General Manuel Antonio Noriega each persona non grata.

7. To support the National University of Panama in the defense of its autonomy and in its decision to keep the institution open and to be alert to a possible intervention on our campus.

8. To be alert and to take the necessary civilian measures to promote national harmony with justice and truth.

To be released and published

Panama City Campus, Panama City, 25 June

EL SIGLO PUBLISHES SUPPLEMENT ON CENSORED REPORTS

PA011919 [Editorial Report] Panama City EL SIGLO in Spanish on 1 July publishes a special 16-page supplement entitled "Historical Supplement" containing the "outstanding aspects of the events that were unleashed on 7 June and whose publication was censored."

The supplement includes photographs of antigovernment protests; and AFP Washington dateline report on the U.S. State Department urging the lifting of the state of emergency; a U.S. Information Service travel advisory for U.S. citizens traveling to Panama; reports on statements by Chamber of Commerce President Aurelio Barria and Law School Professor Miguel Antonio Bernal; report on the Catholic Church communique; report on protests by university students on 10 June; report on actions by Doberman riot forces in front of Radio Continente; report on clergymen receiving weapons surrendered by Colonel Roberto Diaz Herrera in his house; text of document released by Diaz Herrera which he said was signed on 8 March 1982 by former Commander in Chief Ruben Dario Paredes, then Lieutenant Colonel Manuel Antonio Noriega, Lieutenant Colonel Armando Contreras, and Diaz Herrea. Diaz Herrera said it was a "historic timetable-commitment for the National Guard" that set up the periods in which the four officers would hold the office of commander in chief. The supplement ends with a report on the arrival in Panama City of former President Arnulfo Arias Madrid on 9 Jun and his party's call for a recount of the 1984 election results.

PRD, PDC OFFICES STORMED; CLASHES IN DOWNTOWN AREA

PA012202 Panama City ACAN in Spanish 2057 GMT 1 Jul

[Text] Panama City, 1 Jul (ACAN-EFE) -- Street disturbances and shoot-outs took place again today in this city during the 2d day following the lifting of the state of emergency. The headquarters of the two political parties were seriously damaged.

Two persons, including a construction worker, received bullet wounds during one of the shoot-outs, according to eyewitnesses. No deaths have been reported.

The headquarters of the opposition Christian Democratic Party [PDC] was the target of gunfire, and was stormed and seriously damaged by members of the ruling Democratic Revolutionary Party (PRD), according to PDC sources.

A PRD office in the downtown area was also stormed by unidentified students according to PRD sources. An assembly room and some files were destroyed.

The Spanish and Cuban embassies and the Foreign Ministry are near the offices of the two political parties. An ACAN-EFE correspondent saw men armed with pistols and machineguns in that area who engaged in a shoot-out that lasted over 1 hour.

According to a PRD source, the weapons were being carried by progovernment people, as well as by members of "the other band" of the opposition, which he did not identify.

According to eyewitnesses and PDC sources, after the PDC central office was stoned, a group of 10 PRD members opened fire on the main door and entered the opposition party's office.

PDC President Ricardo Arias Calderon and other leaders left the offices prior to the attack, and his car's windshield and windows were destroyed, ACAN-EFE confirmed.

The attackers stormed the office and burned newspapers, documents, and other papers. The Fire Department quickly put out the fire.

Most of the windows of the PDC office were broken, and its walls were smeared with red and blue paint.

Hundreds of high school and university students demonstrated on Via Espana, in the downtown area, shouting antigovernment slogans. When they passed in front of PRD offices, they clashed with followers of that political party.

Over six vehicles carrying riot squads armed with rods, helmets, and shields arrived in the area over 1 hour after the clashes began in the downtown area. Demonstrators and spectators immediately left the area.

Law School students have blocked the University of Panama with burning barricades. Riot squads have not arrived yet on the site.

On Monday, the Panamanian parliament lifted the state of emergency established on 10 June following a wave of street disturbances and clashes between antigovernment demonstrators and the Defense Forces.

Commerce President on 'Attack'

PA020355 Panama City Telemetro Television in Spanish 2330 GMT 1 Jul 87

[Text] Aurelio Barria, president of the Panamanian Chamber of Commerce and main leader of the Civilianization Crusade has reported an attack against his enterprise, Auto Spare Parts Circle [Circulo Auto Repuestos], located in El Paical.

[Begin Barria recording] At 0100 today, my family's enterprise, Auto Spare Parts Circle, in El Paical, was a target of repression. We Panamanians can imagine where the attack came from. They hurled Molotov cocktails, fired pellets, and dispersed large quantities of gasoline to start a fire in our establishment. This happened late at night. The security guard was hurt.

We feel this is another repressive measure, and shows the way the government conducts a dialogue on our country's grave problems. [end recording]

9 Jul Anti-U.S. Rally Planned

PA011433 Panama City CRITICA in Spanish 1 Jul 87 pp 1, 24

[Text] On 9 July, there will be another giant nationalist rally to continue rejecting the U.S. Senate's intentions to meddle in Panama's domestic affairs.

Reliable sources have told CRITICA that the purpose of the forthcoming popular demonstration is to raise the banner of national dignity and the respect for the territorial integrity of Panama. It will also serve to give other sectors of the Panamanian people the opportunity to satisfy their desire to clearly and firmly reject the abusive, arrogant, and cavalier attitude of the U.S. Senate.

U.S. AMBASSADOR ASSUMES CONTROL OF U.S. FORCES

PA011505 Panama City CRITICA in Spanish 1 Jul 87 pp 1, 24

[Text] U.S. Ambassador Arthur Davis has assumed military control of the Southern Command and has banned General Fred Woerner from having any ties with the civilian government, and Panamanian Defense Forces [FDP] of the Republic of Panama. CRITICA learned this while it was closing this issue.

This information is further supported by the fact that although Woerner assumed command 3 weeks ago, he has not paid his respects to the Panamanian president or to the FDP commander.

This situation contradicts the ability, intelligence, and tact that General John Galvin exhibited when he handled problems with Panama. In fact, he even forced his subordinates to speak Spanish.

Our source added that John Maisto, the second in command at the U.S. Embassy, who came from the Philippines and is Chamber of Commerce President Aurelio Barria Jr's adviser, ordered his officials to speak English to Panamanians.

Diplomatic groups feel that Woerner, despite the fact that his wife is Bolivian, has taking many backward steps in what should be good relations between two countries. This is a matter that leads to an increase in the nationalistic actions that have been occurring in the country.

OFFICIALS' RESIDENCES BOMBED; NO CASUALTIES

PY011332 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1030 GMT 1 Jul 87

[Text] Santa Fe, 1 Jul (NA) -- A medium-powered bomb went off early this morning in front of the private residence of provincial Supreme Court Justice Jorge Barragire, causing damage but no casualties.

The judge told the journalists that the attack was directed against "all that we stand for, for better or worse." However, he admitted that the attack "greatly surprised" (him) since the Provincial Supreme Court is not trying any special cases that "could arouse public concern," meaning cases involving human rights violations.

Judge's House Targeted

PY011920 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1539 GMT 1 Jul 87

[Text] Mendoza, 1 Jul (NA) -- The downtown residence of Judge Juan Antonio Gonzalez Macias, of the Mendoza Federal Court has been the target of an incendiary bomb that caused some damage but no casualties.

LV-10, the local radio station, today reported that the event occurred yesterday afternoon and that Gonzalez was not at home during the attack. Gonzalez Macias lives on the 4th floor of a building on Lavalle Street.

The judge had voted the Due Obedience Law unconstitutional, disagreeing with the rest of the court members.

OPPOSITION LEADERS CRITICIZE ALFONSIN SPEECH

PY010402 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1145 GMT 30 Jun 87

[Text] Buenos Aires, 30 Jun (NA) -- Opposition leaders have criticized President Alfonsin's harsh criticism of "those who advocate sectarianism" and added that when he delivered the speech in Tandil, the president was directly participating in the election campaign.

Peronist Senator Luis Rubeo said "it is proper for the president to take advantage of any opportunity to clarify issues of general interest, but under the present circumstances a tour throughout the country will always be interpreted as being part of the Radical Civic Union [UCR] election campaign."

Christian Democratic Party Deputy Angel Bruno said it "is improper for President Alfonsin to defend his party by stating that people must choose between the UCR or chaos, which is something implicit in all official messages." He added that "the government is still uncertain about who advocates sectarianism, but we know that it is seeking to stay in power by achieving an agreement on a government program." Bruno stated that "The UCR has surrendered its ethics by passing the Due Obedience Law, which does not punish those responsible for carrying out abhorrent crimes, and which really means an amnesty."

Deputy Carlos Zaffore, of the Integration and Development Movement [MID], has said that "President Alfonsin has submerged himself in the election campaign by unduly using his position in favor of the UCR. But this should not surprise us because the entire state apparatus is working in the same direction, from state television to the offices that distribute food."

Intransigent Party Deputy Miguel Monserrat demanded that the president "explain what he means by persons who advocate sectarianism" and warned that Alfonsin's statement shows "an intolerant attitude toward frequent criticism."

Peronist Senator Liliana Gurdulich said that "the people will vote and will judge the government. By using their good sense, they will evaluate whether working conditions have improved, instead of pondering about sectarianism."

Deputy Roberto Digon, of the renewal movement within the Peronist party, said that President Alfonsin "should tour the country to explain to the people why he passed the Due Obedience Law, why he is releasing from jail those who perpetrated genocides, and why he is negotiating the country's sovereignty with the IMF instead of campaigning for UCR candidates." Regarding Alfonsin's speech, Digon issued a press communique in which he states that "it is irresponsible to expose the office of the president to suffer detraction through an election defeat at a time when we are experiencing an unresolved military crisis." He adds that "no one believes Alfonsin when he says he will not campaign in favor of UCR candidates because this is just another example of the government's two-faced rhetoric."

Digon refused the president's statement that any alternative to the problem of the consequences of the struggle against subversion other than the Due Obedience Law would have taken us to the edge of the abyss regarding human rights, and that to declare a moratorium on the foreign debt would paralyze the industrial sector within 6 months.

Digon, who is also one of the leaders of the Movement of 25, said "the country needs the president to start a debate to explain why under the Due Obedience Law he released the killers and torturers of the Argentine people." Digon wondered: "Why didn't Alfonsin tour the country after Holy Week and the issuance of the Due Obedience Law to explain the reasons that led him to make this decision? Why is he campaigning now, 2 months before the elections?"

FOREIGN MINISTRY DELEGATION TO ALGERIA, EUROPE

PY020104 Buenos Aires TELAM in Spanish 2154 GMT 1 Jul 87

[Text] Buenos Aires, 1 Jul (TELAM) -- Foreign Ministry Secretary Jorge Sabato this afternoon left for Algeria, heading a delegation that will attend the commemoration of the 25th anniversary of Algeria's independence.

The Argentine delegation, which includes several Foreign Ministry department directors and UCR Federal Deputy Julio Dimassi (Buenos Aires), will also visit Europe for consultations on international affairs with the European countries, in compliance with the system of consultations agreed upon by the Argentine Foreign Ministry and the foreign ministries of European countries.

GOVERNMENT, COB VIEW SUCCESS OF 24-HOUR STRIKE

PY011406 La Paz La Red Panamericana in Spanish 1130 GMT 1 Jul 87

[Text] Eighty-seven percent of the population went to work as usual yesterday, Interior Minister Juan Carlos Duran said. He was referring to yesterday's 24-hour strike organized by the Bolivian Labor Confederation [COB]. The minister said the strike was a serious mistake because the reasons for holding it were not valid.

Duran reported that 90 percent of the public services functioned normally yesterday, while 80 percent of regional administrative personnel reported to work. Ninety percent of the commerce sector, 60 percent of the factory workers, 68 percent of the communications personnel, 97 percent of the mineworkers, 100 percent of the university students and teachers, and 80 percent of the banking employees held normal activities yesterday. The interior minister said the strike did not lead to anything, but rather tended to harm the normal development of the country.

Meanwhile, COB leader Luis Lopez Altamirano said yesterday's strike was held throughout the country without any disorders. He said that according to reports from the interior, the strike was observed by everyone except public employees, and commerce and transportation sector workers. He said the La Paz oil workers paralyzed activities completely, including the (Sensaca) [expansion unknown] workers. Some gasoline stations were operated by their owners.

COB SAYS U.S. \$60 MILLION OFFER 'INSUFFICIENT'

PY012153 La Paz PRESENCIA in Spanish 26 Jun 87 p 7

[Text] The Bolivian Labor Confederation [COB] feels that the \$60 million offered by the United States to our country for the struggle against drug trafficking is insufficient, and "it would have been preferable for the U.S. Government to use that money to control its borders to prevent drug smuggling."

The COB statement says that this amount of money "is rather ridiculous considering the huge amount of capital that drug traffickers handle in our country." It adds that "the establishment of an infrastructure that will effectively replace coca cultivation demands serious and large investments."

According to COB: "It is appropriate for the U.S. Government to reduce the budget earmarked for the manufacture and sale of weapons, which are genocidal instruments, and increase the amount used in the struggle against drug trafficking."

Moreover, the COB has termed remarks made at the Vienna Conference by U.S. Deputy Secretary of State John Whitehead as "dangerous and humiliating," because of their repercussions in "submissive governments such as ours."

Regarding the U.S. official's proposal to institute capital punishment for drug traffickers, the COB stated: "He should begin by imposing it in his own country, especially on those who promote the production of drugs, and are members of the U.S. Mafia."

RADIO STATION SEES 'MISINFORMATION' DURING CRISIS

PY261628 Lima Radio del Pacifico in Spanish 1300 GMT 26 Jun 87

[Station commentary]

[Text] Today we will comment on the damage that misinformation can cause to the country. We are referring to reports in the French newspaper LE MONDE and the U.S. newspaper THE MIAMI HERALD.

LE MONDE reported a few days ago that the resignation of Prime Minister Luis Alva Castro and the decision of the other Cabinet members to offer their resignations to the Chief of State were the prelude to a coup d'etat. According to LE MONDE, no Peruvian political leader, ranging from the conservative right to the radical left, discards the possibility that someday, if things get worse, the military could again come out of their barracks. Just imagine, dear listeners, such an insinuation.

THE MIAMI HERALD did not lag far behind. No, gentlemen, this newspaper reported that amid lightning and thunderbolts Lima had for 10 days been under guerrilla attacks. How is that? Ten days under guerrilla attacks. You heard right, dear listeners -- 10 days under violent guerrilla attacks. Wait a minute: perhaps THE MIAMI HERALD was referring to the wrong country. No, gentlemen, no.

This is a case of misinformation, or maybe some ill intention. Neither we nor the country can find any other explanation for such lies and speculation. Yesterday writer Mario Vargas Llosa arrived in the country and was very concerned over the report he read in Paris, where he stayed for several weeks. After learning it was all a lie, Vargas Llosa said Peruvians outside the country were alarmed by this report. Their concern was justified, but...[does not finish sentence]

Vargas Llosa also criticized the Peruvian embassies in those countries for not releasing official denials immediately. What is going on with our embassies? We don't know. We really don't know. Yesterday, spokesmen for the Foreign Ministry indicated that such denials and clarifications will be made in the next few hours. Let's hope they will be made not only so our countrymen abroad can be reassured, but also so that the rest of the world can be informed that those reports are false.

As many congressmen who were consulted by our news office said, this is an attack on our democracy. We agree with them. It would be acceptable if it were said that Peru has a terrorist problem, but to claim that our country is on the verge of a coup d'etat and that Lima is under terrorist attack -- Please! This is an exaggeration that cannot be tolerated.

We also demand an investigation into the reasons why the Argentine soccer teams that were scheduled to play against the Peruvian National Soccer Team did not show up. We have information that news dispatches in Buenos Aires reported that Lima was going through difficult moments. We expect that Peruvian officials will undertake the investigation, especially with the press agencies. This was also an exaggeration that cannot be tolerated. We would welcome our Foreign Ministry taking a position on this.

We also suggest that our embassies all over the world be given instructions to immediately react to this kind of news. What is your opinion, dear listeners?

LA HORA EDITORIAL CRITICIZES U.S. AMBASSADOR

PY302119 Montevideo LA HORA in Spanish 25 Jun 87 p 8

[Editorial: "The Hard-working Bee"]

[Text] Sometime in the past -- certainly not too long ago -- the then U.S. Ambassador to Uruguay Christian M. Ravndal used to stroll around the capital of one of our departments, sticking his nose in our domestic affairs and displaying a provocative attitude before the electoral campaign rallies sponsored by the left. At that time -- the early 1950's -- when the "Cold War" was being hard fought, the ambassador won the nickname of the "hard-working bee," because of his zeal and devotion to his duties.

Times have changed, but not the tricks. The current U.S. ambassador, Malcolm R. Wilkey, goes around the country's departments making statements on Uruguayan affairs, especially on the government's economic policies.

Some years back a press agency reproduced an article from THE NEW YORK TIMES showing the dollar empire's geopolitical interests regarding Uruguay and Uruguay's strategic position in the South Atlantic. At that time there was talk for the first time about the creation of the South Atlantic Treaty Organization, similar to NATO, with a base down here and another in South Africa, which is a privileged ally of the Washington administration.

Then what has Ambassador Wilkey been saying in Rivera and Artigas Departments?

In today's world everyone has priorities. The ambassador's priority is very clear and well defined: the foreign debt. The following is a report of a correspondent from Rivera: "Asked about the foreign debt and the U.S. position regarding the Uruguayan proposals, he indicated that /Uruguay is no problem because it has always paid/ [slantlines denote italics as published] (the italics are ours) [LA HORA editorial note], it has planned its refinancing, and it has drawn up a program centered around the foreign debt. The Argentine and Brazilian debt is indeed creating concern." In relation to the letter sent by President Sanguinetti to the "big seven" of the capitalist world who met in Venice, the ambassador said that Reagan is only one of the seven, but that the issues discussed in the letter are a priority for everyone.

Going through this paragraph it is impossible to differentiate between the diplomatic representative and a delegate of the creditor banks. These banks, either Citicorp or Rockefeller's Chase Manhattan, are only interested in being paid. All the rest is just words. The U.S. ambassador protects those interests with zeal. He guarantees that the Uruguayan Government is doing the right thing and paying on time.

It does not matter if by using large funds for making payments year after year there are no resources left for education, that people on pension have to live in misery, that hospitals are left in shambles and without sheets, that state employees have to earn very low salaries, and so on, which makes the daily lives of the people a real drama. The important thing for the bankers, who are a bunch of installment collectors, is to get paid on time. Nothing else is important.

Contrary to what the ambassador said, neither Reagan nor his "partners" [preceding word in English] in Venice paid much attention to the letter from the Cartagena Consensus. They did not answer any of the proposals, such as the request for reducing interest rates which are outrageously and unilaterally imposed and increased, or the systematic deterioration of trade conditions, or the protectionist measures that have created chaos in international trade.

Regarding protectionism, the U.S. ambassador babbles that Reagan is against it, but that congressmen must defend the interests of the industrialists in their regions. But there is still one more thing: The ambassador has the nerve to criticize Latin American nations that have normal relations with Uruguay such as Cuba and Nicaragua, which are besieged by the barbaric armed attacks of the power represented by Mr Wilkey. He did not fail to express his preference for the Pinochet dictatorship ("the Chilean situation is probably the best," he said), which is the result of the coup carried out by U.S. imperialism, Nixon, Kissinger, ITT, and Braden Copper.

GOVERNMENT, FRG SIGN JOINT DECLARATION

PY302236 Montevideo EL DIA in Spanish 25 Jun 87 p 7

[Text] Munich -- Foreign Minister Enrique Iglesias said here yesterday that the joint declaration released yesterday by the Uruguayan and FRG Governments establishes that the FRG will contribute \$60 million to the Development Corporation [Corporacion para el Desarrollo], which will be disbursed over 5 years.

Iglesias called President Sanguinetti's visit to the FRG very positive and praised the results obtained, namely technical assistance amounting to DM20 million (more than \$10 million), the encouragement of private investments, and, particularly, the financial help given to the Development Corporation.

He explained that the German Development Bank has already analyzed and approved 12 investment projects proposed by Uruguayan businessmen, adding that the Bank is trying to find FRG companies that might be interested in supporting the projects, particularly in the shoe and fishing industries.

Iglesias stressed that the FRG has lifted the restrictions on its exports to Uruguay, and that this reflects the confidence that the Uruguayan Government has earned. "We are very satisfied," he remarked.

In the political area, the foreign minister said that the foreign policies of the two governments have many points of agreement. He noted that the FRG authorities "expressed their appreciation and admiration for the political and economic evolution that our country has undergone in recent years."

The points of agreement and the bilateral accords are outlined in a joint statement, which establishes the terms of the financial and economic cooperation accords.

Here is the text of the statement:

"On 23 June 1987 Uruguayan President Julio Maria Sanguinetti met with Dr Martin Bangemann, the FRG minister of economics, with whom he reviewed a wide range of subjects. The Uruguayan president and the FRG official expressed their satisfaction over the signing in May of a treaty for the bilateral promotion and protection of investments, and a treaty banning double taxation. They expressed their certainty that FRG investors will increase their dealings in Uruguay, based on the above mentioned treaties, on the positive environment for investment in Uruguay, and on the fact that the indicators of the Uruguayan economy have again taken on a positive trend. Minister Bangemann emphasized his willingness to guarantee the FRG investments in Uruguay and to encourage the FRG investors to increase their participation in that country.

"They also expressed their satisfaction over the fact that the Uruguayan Government is engaged in comprehensive talks with the DEG -- Deutsche Finanzierungsgesellschaft fuer Entwicklungslaendern, GmbH (FRG Society for Investment in Developing Countries). The FRG Government, which has encouraged the DEG to provide financial resources in justified cases, will support the society's search for FRG partners. The FRG Government has expressed its satisfaction over the fact that two projects that are suitable for receiving financial support are ready for implementation.

"Since Uruguay has met all its financial obligations as established in the respective contracts, the FRG Government has again lifted the restrictions on its policy of insurance coverage provided by the Hermes [not further identified], and will grant any future requests for insurance coverage. The FRG Government will ask the KFW -- Kreditanstalt fuer Wiederaufbau (Reconstruction Credit Corporation) -- to increase its cooperation with Uruguay.

"The Uruguayan president also met with Mr Klein, FRG Minister for Economic Cooperation [name and title as published]. The Uruguayan president and the FRG minister expressed their satisfaction over the fact that the promotion of development through bilateral cooperation has increased since the Uruguayan democratic government assumed power.

"The minister for economic cooperation announced that the funds that the FRG will earmark for financial cooperation with Uruguay in 1987 will exceed by DM20 million the funds that have already been provided for in the area of technical cooperation.

"The two parties agreed to increase and promote this type of cooperation in the future, and to foster bilateral cooperation at the private sector level. In this regard, a special, expeditious decision will be made on the assistance that the National Development Corporation will receive from the FRG cooperation for development."

COMMUNIST PARTY LEADER TO HEAD RADIO STATION

PY291740 Montevideo LA DEMOCRACIA in Spanish 18 Jun 87 p 6

[Text] Radio Station CX30 La Radio has officially announced the name of its new director. In a communique released to the press, the station reported that "Organizacion Radioemisoras Orientales Sociedad Anonima -- OROSA [Organization of Uruguayan Radio Stations, Inc] -- has the pleasure of announcing that Dr Alberto Grille has been appointed director general of our organization and director of CX30 La Radio."

Sources close to the organization told LA DEMORACIA that Grille has been acting director since Jose German Araujo was elected Senator and left his position as director of the station.

It was noted that, although he was expelled from the Senate at the end of 1986, German Araujo did not resume his activities as CX30 director, a position he occupied for several years.

The name of the new director was not officially announced until a few days ago. This may be due to the fact that Dr Grille is a known leader of the Uruguayan Communist Party.

GOVERNMENT 'FORBADE PUBLICATION' OF WEEKLY PAPER

PY191607 Buenos Aires DYN in Spanish 0324 GMT 18 Jun 87

[Text] Montevideo, Jun 18 (AFP) -- It was reported here today that the Uruguayan Government this week forbade publication of the weekly LA ESCOBA and placed its director, Elias Perdomo Rodriguez, at the disposal of the court for committing violations of the law in the last two issues.

LA ESCOBA, a newspaper with a particularly critical and sometimes rude attitude toward the political system, reappeared 2 weeks ago after having been published for some time in the fifties and then in the sixties.

It was reported today that a decree issued on 15 June by President Julio Maria Sanguinetti states that the weekly was closed in 1954 for violating a law on association for subversive purposes. When the weekly reappeared in 1963, the government again used this law to forbid its publication.

Sanguinetti's recent decision states that the 1954 and 1963 decrees are still valid, and without interfering with justice the executive branch must adopt the necessary measure to prevent the repetition of the violations.

Perdomo Rodriguez was questioned by the police and placed at the disposal of a judge for violating a decree, but so far no official ruling has been made about his case.

The last two -- and only -- issues of LA ESCOBA have shocked political circles, particularly the Colorado Party, which has harshly criticized the weekly in editorials of pro-government newspapers in the last few days.

In its last issue, LA ESCOBA stated that the corruption and illegal enrichment of politicians is an undeniable fact, adding that someone had said correctly that politicians ought to be armless, like the Venus de Milo.

On 6 June the pro-government newspaper EL DIA maintained that the weekly practiced a deplorable style, using unconfirmed reports to discredit democratic institutions and their legitimate representatives, while slandering and insulting them.

The other pro-government daily, LA MANANA, stated on 9 June that LA ESCOBA was using the freedom of the press to damage people's reputations with the shallowest defamatory methods.

PACHECO ARECO TO RUN FOR PRESIDENT IN 1989

PY242331 Madrid EFE in Spanish 1504 GMT 24 Jun 87

[Text] Montevideo, 24 Jun (EFE) -- Former Uruguayan President Jose Pacheco Areco, 67, current Uruguayan ambassador to Paraguay, today announced that he will be a presidential candidate of the ruling Colorado Party in the 1989 elections.

Pacheco Areco returned to Montevideo from Asuncion to meet with leaders of his political faction, which became a minority within the party after the 1984 elections, which ended 12 years of "de facto" government in Uruguay. Pacheco said he has not yet decided who will be his ticket mate from the right-wing faction of the Colorado party.

Pacheco Areco will have to compete, within the Colorado Party, with the candidate of the majority sector, which in 1984 elected Julio Maria Sanguinetti as President of Uruguay. Political sources have announced that it is possible that Vice President Enrique Tarigo will head the Colorado Party's centrist list.

Pacheco Areco was appointed vice president on 1 March 1967, and became president when General Oscar Gestido died on 6 December 1967. In the 1971 elections, his proposal for a constitutional amendment that would have allowed his re-election was rejected by a small margin. His alternative proposal for a presidential ticket headed by Juan Martia Bordaberry was accepted instead. On 27 June 1973 Bordaberry carried out a coup with the support of the Armed Forces. He dissolved Congress, and inaugurated an era of "de facto" governments, which ended in 1985.

In 1984 Pacheco Areco obtained only 183,641 votes out of 777,701 votes cast for the Colorado Party. On that occasion Sanguinetti was proclaimed the winner with 590,143 votes.

In 1984, the Colorado Party obtained 40.27 percent of the total of 1,930,931 votes (87.86 percent of the registered electoral force) from citizens who voted to end the military regime.

SANGUINETTI, ENTOURAGE RETURN FROM EUROPEAN TOUR

PY261734 Montevideo Radio El Espectador Network in Spanish 1600 GMT 26 Jun 87

[Excerpt] The president of the Republic arrived back in Uruguay a few minutes ago, landing at Carrasco International Airport. Martin Les covered this event for EL ESPECTADOR. Martin Les, please tell us about any comments made by members of the presidential entourage on their European tour.

[Les] No comments were made. President Sanguinetti did not make any comments to the press on the outcome of the negotiations he conducted in Europe. Foreign Minister Enrique Iglesias did not make any comments, either. [passage omitted]

SANGUINETTI PAYS OFFICIAL VISIT TO FRANCE

For coverage of President Sanguinetti's visit to France and his discussions with French President Francois Mitterrand, see the France section of the 24 June West Europe DAILY REPORT and subsequent issues.

RULING PARTY, OPPOSITION TO MEET ON ELECTIONS

FL151632 Bridgetown CANA in English 2135 GMT 13 Jun 87

[Text] Georgetown, Guyana, June 13, CANA -- The stage is being set here for talks between the People's National Congress (PNC) Government and the main opposition party, the Marxist People's Progressive Party (PPP) on the controversial issue of electoral procedures.

A statement from the office of the president, said that following a written request to President Desmond Hoyte from PPP Leader Dr Cheddi Jagan, the government has agreed to a meeting with Japan. The statement said the meeting will discuss electoral procedures, specifically the method of counting votes at elections. It also said that vice-president Ranji Chandisingh has been nominated as the minister to represent the government in any discussion with Jagan. Chandisingh is also deputy leader and general secretary of the PNC which is led by President Desmond Hoyte.

The method of counting votes at elections in Guyana has been one of the major controversial issues surrounding the holding of elections in Guyana since 1968 with the opposition parties contending that all the elections have been rigged by the PNC.

TRADE UNION VOTES TO SUSPEND ITS PRESIDENT

FL200047 Bridgetown CANA in English 1645 GMT 19 Jun 87

[Text] Georgetown, Guyana, June 19, CANA -- One of six trade unions whose officials swore to affidavits in support of a recent constitutional motion, which unsuccessfully sought to disqualify an appeal court judge, has suspended its general president for signing the affidavit without the necessary authority.

The National Union of Public Service Employees (NUPSE) said in a statement its action was taken against Cecil Ramotar at a special executive meeting earlier this week.

The statement said the decision to suspend Ramotar indefinitely was unanimous. It said he had grossly embarrassed the status and reputation of the union.

The affidavit, which the union said Ramotar had signed contrary to and without the approval of NUPSE's National Executive Council, was submitted to the Guyana Court of Appeal in support of the constitutional motion which had also sought to have a full bench of five justices of appeal hear an appeal against changes to the labour law.

The motion was dismissed by the appeal court two days ago and the appeal by the state is now being heard by a three-member panel headed by Chancellor of the Judiciary Keith Massiah and including Justice Charles Fung-A-Fat, whos disqualification the motion had sought.